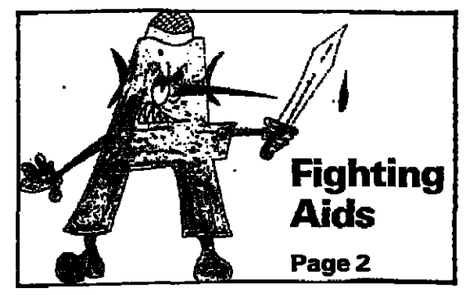
Preparing for the flood
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THE JERUSALEM POST

Vol. LV, No. 16488 Thursday, April 2, 1987 • Nissan 3, 5747 • Shaban 4, 1407 NIS 0.80 (Eilat NIS 0.70)

SECOND EDITION



Fighting Aids
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Israel won't let Pollard 'contact' testify

By WOLF BLITZER

WASHINGTON. – Israel is not permitting a dual American-Israeli citizen to leave the country to testify before a U.S. grand jury which is still looking into the Jonathan Jay Pollard spy scandal, authoritative U.S. sources disclosed yesterday.

Harold Katz, a 65-year-old American Jewish lawyer who made aliya in the early 1970s and has since been living in the Tel Aviv area, is the owner of a small apartment in Washington, D.C. where Pollard regularly delivered classified documents to his Israeli handlers.

At the apartment, Irit Erb, who was a secretary at the Israeli embassy in Washington, routinely photocopied the documents. She lived in another apartment in the same Van Ness complex on upper Connecticut Avenue. Yosef Yagur, the science counsellor at the Israeli Consulate in New York, often met with Pollard in the apartment, according to U.S. court documents. Both Erb and Yagur have fled the U.S. and are now in Israel.

U.S. law-enforcement authorities suspect that Katz may have been involved in other – financial – aspects of the Pollard operation. Pollard, a former U.S. naval intelligence analyst, received some $50,000 from his Israeli contacts during the 18 months he was involved in the espionage ring. He is currently serving a life sentence.

Through his Washington lawyer, Katz yesterday denied any wrongdoing in the Pollard operation. Richard Green, the lawyer, told *The Jerusalem Post*: "He was not involved and did not know anything about the Pollard affair."

Green, who said he had been Katz's friend since their college days, insisted that Katz has never refused to cooperate with the U.S. law enforcement officials. Green said he was also authorized to say on Katz's behalf that Israel has never refused to permit Green to testify. In the face of repeated questions, however, Green refused additional comments.

But authoritative sources in Washington confirmed that the U.S. and Israeli governments were at very serious odds over the exact circumstances of Green's cooperation. No U.S.-Israeli agreement has been reached on the matter, and Israel is reportedly not permitting Katz to leave the country for the time being.

American officials suspect that Israel, already deeply embarrassed by the Pollard case, is afraid of what Katz may tell a grand jury.

U.S. sources said that the Justice Department has offered Katz immunity from prosecution if he testifies before the grand jury. Green said Katz is not seeking immunity or any other "favours" because he has done nothing wrong.

Katz, a Harvard-educated attorney, has been practising law in Israel in recent years. He is also said to be associated with a dental-related business in Boston.

Ever since Pollard's arrest, Justice Department officials and others in Washington have been attempting to determine whether he was part of a broader Israeli espionage network in the U.S. Their suspicions have now focused on the Katz connection.

This latest development in the Pollard affair is likely to cause quite an uproar in the U.S., especially in the American Jewish community.

The Justice Department is still moving to indict Erb, Yagur and Rafael Eitan, the master spy who was in overall charge of the Pollard operation.



An unwell John Demjanjuk is helped out of the Binyenei Ha'uma courtroom yesterday to his nearby cell, where he watched the whole of the day's proceedings on closed-circuit TV. Story page 2.
(Elharar/Scoop 80)

U.S. report concludes:

Israel, France, Italy sold Pretoria arms 'regularly'

By WOLF BLITZER

WASHINGTON. – The Reagan administration yesterday said that Israel, Italy and France have been involved in regular arms shipments to South Africa since the United Nations imposed an arms embargo in 1977.

In an unclassified report submitted to Congress, the administration said that private companies in Britain, West Germany, Switzerland and the Netherlands have "on occasion" also been involved in weapons transfers to the apartheid regime but "without the approval of their governments."

A separate classified document included many specific details of the various arms sales, including the quantity and quality of weapons involved. It was that report, informed sources said, which outlined the extent of Israel's military cooperation with South Africa.

The public version, however, simply lumped Israel, Italy and France together as the main violators of the arms embargo. It said that these three countries have helped to maintain South Africa's military systems which were provided before 1977.

As far as Israel was concerned, the document concluded that it had sold military equipment and provided technical assistance to South Africa "on a regular basis" until the Israeli cabinet's decision of March 18, 1987, outlawing new arms sales.

The document said it was hard to find evidence of exactly how much military equipment was involved, primarily because South Africa has kept that kind of information secret.

But while naming Israel, Italy and France as the main culprits, the public document did in fact differentiate between Israel's sales, on the one hand, and those of France and Italy on the other.

It suggested that the Israeli sales were on a formal government-to-government basis, while those of France and Italy were not. Private arms companies in those countries sold weapons to South Africa but "with the knowledge" of their governments, according to the report.

France and Italy have denied that allegation, but U.S. officials maintained that there was considerable evidence that the two countries routinely authorized the private firms to conclude deals with South Africa.

In Israel, Defence Minister Rabin refrained from ruling out continued arms deals with South Africa, but said Israel would not cheat the U.S. In an interview with Israel Radio Rabin was asked whether there was no way to continue exports to Pretoria. "This is a question I will be able to answer only when I see the report [to the U.S. Congress], he replied.

On Tuesday Rabin had made it clear that if it weren't for U.S. pressure, he would like to continue ties with South Africa.

On March 18, the State Department described the Israeli cabinet's decision on South Africa as "a good step forward."

Last year, the U.S. Congress passed legislation imposing economic sanctions against South Africa. An amendment to the bill stipulated that the State Department submit a report to Congress on April 1 identifying those countries that have violated the 1977 arms embargo with a view towards reducing U.S. financial assistance to those countries.

But observers in Washington do not believe that the report will result in any reduced aid for Israel, largely because France and Italy were also cited and because of Israel's own cabinet decision last month.

The classified section is said to include details on Israel's transfer of weapons and technology, which have enabled South Africa to manufacture its own jet fighter, patrol boat, missiles and electronic equipment.

According to informed sources, the secret report also said that Israel has helped in the training of the South African military in anti-terrorism procedures as well as in conventional military tactics, especially involving the armoured corps.

South Africa is said to have established all sorts of dummy companies in Europe to help in the transfer of this equipment and arms from Israel to South Africa, according to the secret report.

U.S. expert:

'Not likely to hurt ties with U.S.'

Jerusalem Post Correspondent

WASHINGTON. – U.S.-Israeli relations will probably not really worsen with the release of the Reagan administration's report on arms sales to South Africa, a top U.S. defence analyst said yesterday.

Dr. Edward Luttwak told *The Jerusalem Post* that Israel – unlike France and Italy – appears to have been generally "discriminating" in its weapons sales to South Africa in recent years.

Israel, he noted, has reportedly refused to sell equipment that could be used for internal security (such as riot control). Most Israeli sales, he said, appear to have been for external security and are reported to have included patrol boats, missiles, and aircraft spare parts.

The only apparent exception on Israel's part, he said, was the reported granting to South Africa of a licence for the manufacture of the standard Israeli army rifle, the Galil.

The Europeans, Luttwak said, have been willing to sell "everything" to South Africa, including internal security equipment such as tear gas.

Luttwak said that the U.S. Congress should differentiate between the content of the Israeli sales as opposed to the volume. "Israel, in fact, did exercise care," he said.

The recent Israeli cabinet decision blocking new sales and the public statements made at that time by Foreign Minister Peres should also help "to close the matter," according to Luttwak.

"In essence," he added, "only the United States [among major arms manufacturers] has observed the embargo. The question among the others is whether they exercised care in denying South Africa internal security equipment. Israel did. The other 'bad guys' didn't."

U.S. officials, meanwhile, agreed that Israel's recent cabinet decision on South Africa played a very important role in tempering what could have been a much more critical administration report to Congress. "The cabinet decision helped a lot," a State Department source said.

The Israeli embassy, in advance of yesterday's release of the report, sent out an "information" packet to all members of Congress and other public opinion moulders in Washington outlining Israel's opposition to apartheid.

"The cabinet decision is intended to demonstrate to South Africa that Israel can no longer base its anti-apartheid position on declarations and statements alone," the embassy said. "Notwithstanding the South African government's protest against Israel's decision, Israel hopes that its measures will contribute to changing South Africa's discriminatory policies.

"The cabinet's decision is rooted, first and foremost, in the fundamental belief, shared by all Israelis, that the apartheid regime is repugnant and must be totally abandoned."

Peres-Gorbachev meeting rumoured

Plans aired to absorb Soviet olim

Jerusalem Post Staff

The need to ensure that Israel is ready to absorb Soviet Jewish immigrants was discussed last night by Prime Minister Shamir and Vice Premier Shimon Peres, sources in the Prime Minister's Office said. The two leaders also conferred about the latest developments in relations with the Soviet Union and the possibility of a growing number of Jews being allowed to leave that country.

The issue of Jewish emigration from the Soviet Union is one aspect of a possible change in Israel-Soviet relations. Other elements are possible Soviet participation in a Mideast peace conference, the planned visit by a Soviet consular delegation to Israel, and the visit of an Israeli delegation to the Russian capital. Within Israel, there is sharp disagreement on the wisdom of holding a peace conference.

Both the Jewish Agency Aliya Department head Haim Aharon and Absorption Minister Ya'acov Tsur told Israel TV last night that Soviet Jews arriving in Israel will be given the choice of living in apartments wherever they like, and will not necessarily be placed in absorption centres.

See related stories pages 2 and 4

But Aharon said the Agency's plan for receiving mass immigration also requires removing immigrants now in absorption centres. The ministry was delaying this process he claimed. (See related story, page 4)

Speaking at a rally of Soviet Jewish activists outside the Knesset yesterday, Tsur warned that internal divisions on the question of an international peace conference could "endanger the greatest opportunity facing Israel today, the opportunity to bring thousands of Soviet Jews here."

Soviet conditions for Jewish emigration include the signing of bilateral agreements between the two nations, Tsur said. Israel should sign such agreements, even if a certain element of risk is involved, he said.

The Foreign Minister said last night that it had no information about the reported invitation extended to Peres by Soviet leader Mikhail Gorbachev. The report appeared in the Luxembourg media.

According to sources in Jerusalem, Soviet diplomats have been careful not to link the visit of a consular delegation to Israel with a similar Israeli delegation to Moscow. (Continued on P 2, Col. 1)

Envoy's tour is extended

Jerusalem Post Reporter

The Israeli ambassador in Washington, Meir Rosenne, will serve at his post until early June, senior sources in the Foreign Ministry said last night. Rosenne was originally scheduled to complete his tour of duty on May 1, but in the last few days he has twice been asked to extend his stay.

Rosenne has privately expressed anger that he was sent a short, formal note announcing the end of his tour of duty. The decision to end his appointment, though no successor has been named, is seen by observers in Jerusalem as a move by Foreign Minister Peres to get Prime Minister Shamir to expedite a decision about Rosenne's successor. Shamir has to approve a candidate out of a list of four presented to him by Peres in February.

In a meeting between Shamir and Peres last night the two men could not find a candidate for the job.

Rosenne, a veteran diplomat, told associates that he was surprised about how he had been informed of the completion of his tour of duty in such an important capital.

A few days ago, after officials in Jerusalem were told that Rosenne had already made arrangements for Independence Day celebrations in Washington, he was told that his duty would be extended until May 6, two days after the holiday. But earlier this week, the Foreign Ministry asked the envoy to be present in the U.S. when Peres visits there in mid-May.

of Islamic Republic

Iranians yesterday marked the eighth ...ered in Ayatollah Ruhollah Khomeini's ...ntil victory. Earlier, the official Islamic ...he commander of the Revolutionary ...hat Iraq had suffered 200,000 casualties ...led March 21.

...up to the Middle East, a spokesman said on Tuesday he had no immediate plans for such a visit.

...Western hands, the analysts said, and French intelligence officers were inspecting them closely.

The Sam-13s were originally mistaken for the equally sophisticated but more powerful Sam-10 missiles which also have never fallen into Western hands. The sources denied French press reports that the Chadians had captured some Sam-10 batteries.

In Hongkong – the name

school specializing in Chinese astrology.

"In choosing a name it's important to know the exact time of birth and to which of the five elements of life a person belongs," he said.

Metal, wood, water, fire and earth are the five elements, according to an occult theory that historians say dates back to the sixth century BCE and still holds sway over some Chinese beliefs.

Students at Lo Keung's school spend up to two years learning their art. When they graduate, they can command up to $250 for choosing the right name, usually for new companies.

The right choice often takes its cue from dollars and cents in this bastion of capitalism. Hong Kong is home to the Dollar Tea Company, Dollar Printing and Dollar Motors.

Gold is another favourite. There is Golden Dollar Tailor, Gold Power Tours, Gold Shark Fin Restaurant, Golden Bridge Textile and the Golden Eagle Steam Laundry.

And there are Ever-Rich Plastic Industry, Easy Success Company and Billionaire Finance.

Where else would one want to live but in Wealthy Heights? Even the food you eat is carefully named. There's "Longevity Fruit" for the familiar papaya. "Lucky Hand" – a combination of pig's feet and lettuce

Jerusalem Electric Co. told it is losing its concession

By JOEL GREENBERG
Jerusalem Post Reporter

Energy Minister Moshe Shahal yesterday formally notified the Jerusalem District Electricity Company that his ministry would take over the firm when its concession to supply power runs out at the end of this year.

The move would end a protracted struggle for control of the Arab company, which is the largest economic concern in the West Bank, and a national symbol for many Palestinians.

Company chairman Hanna Nasser told *The Jerusalem Post* that Shahal's letter set a May deadline for a meeting with Energy Ministry representatives to arrange a transfer of the company's assets to the ministry.

The move came after the JDEC had run up a NIS 33m. debt to the Israel Electric Corporation, from which it buys over 90 per cent of its energy. The West Bank company had demanded a lowering of rates from the IEC to help it pay its debts, but Energy Ministry officials said the company was run inefficiently and no arrangements could be made until it paid off its debts. In recent contacts the ministry had proposed that the company give up its right to supply power to Jewish neighbourhoods and settlements across the Green Line, sell equipment to the IEC, and use the income for economic recovery.

After receiving the Energy Ministry letter, Nasser told *The Post*: "This was expected. We refuse to respond positively to this, and do not consider that the Israeli government has the right to cancel our concession altogether. It was given in 1927, and has to continue until the problem of occupation is finally resolved."

Nasser said the company board would meet next Monday to draft a response, and would propose that Jordan submit the issue to the International Court of Justice at The Hague.

Baby M's biological mot

HACKENSACK, New Jersey (AP). – An unprecedented ruling upholding a surrogate mother contract and awarding custody of Baby M to her father will give the infant her only real chance to grow up healthy and secure, the father's lawyer said yesterday.

The ruling on Baby M was reported in a late bulletin at *The Post* on Tuesday night.

Superior Court Judge Harvey Sorkow on Tues... upheld the legality of the surrogate arrange... programme yesterday ... concluded is the only ... grow up as a healthy, s... the mental health ex... 'you've got to end the ... the warfare.'"

"And the judge abs... case there would be ... Whiteheads could eve... connection with ...

Nissim determined to press on with reforms

By AVI TEMKIN
Post Economic Reporter

Finance Minister Moshe Nissim will press ahead with his plans for the privatization of government corporations and further reforms of the tax system. Fresh from his victory in the Knesset over the state budget, Nissim yesterday declared he was not prepared to rest on his laurels.

The minister revealed that next week representatives of four major investment banks – three from the U.S. and one from Britain – would visit Israel to present long-term proposals for floating share issues in government corporations abroad. The four banks are First Boston, Goldman Sachs, Shearson Lehman and N.M. Rothschild.

Only one of these banks, however, will actually be asked to present formal privatization plans.

Nissim said he was planning to go ahead with sale of shares of government corporations even before the final draft of the long-term plans. Shares of Industrial Buildings Ltd. will be soon issued and there are plans to sell off part of Bezek.

The minister said the Treasury was also considering the possibility of trading bank shares now held by the public for shares of government corporations as an alternative to cash. But he said the final decision would be taken in the framework of the overall planning on the banks' shares arrangement. The government is obligated to redeem the shares in October 1987 and again in October 1988 at their price prior to the October 1983 share crash.

Nissim yesterday issued a general authorization empowering firms to issue shares and bonds without the need to first win the Treasury's

(Continued on Page 2, Col. 6)

Meet me at the Hilton, Hughie, Meet me at the fair,

We'll all be there! Browsing, buying, sampling, winning prizes and having a hellzapoppin' time—THE JERUSALEM POST PESSAH FAIR in aid of the Forsake Me Not Fund for Israel's needy elderly. Be there or be square, April 15 at the Jerusalem Hilton, noon to 9 p.m.—admission (which includes free 40-prize raffle ticket): 5-shekel donation to the Fund. Children under 12 free.

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Beat that deadline!

The weather at major Swissair destinations

1.4.87

	MIN. C	MIN. F	MAX. C	MAX. F	
AMSTERDAM	2	36	10	50	Clear
BRUSSELS	5	41	11	52	Cloudy
BUENOS AIRES	17	52	19	66	Rain
CHICAGO	-7	20	4	40	Cloudy
COPENHAGEN	-1	30	10	50	Cloudy
FRANKFURT	-1	30	9	48	Cloudy
GENEVA	1	34	6	43	Clear
HELSINKI	0	32	5	41	Clear
HONG KONG	18	64	22	72	Clear
JOHANNESBURG	12	54	26	79	Clear
LISBON	8	46	19	66	Clear
LONDON	7	45	9	48	Cloudy
MADRID	2	36	15	59	Clear
MONTREAL	2	36	16	61	Cloudy
NEW YORK	10	50	15	59	Clear
OSLO	0	32	3	37	Rain
PARIS	5	41	12	54	Cloudy
RIO DE JANEIRO	19	66	35	95	Clear
SAO PAULO	22	71	30	86	Cloudy
STOCKHOLM	-3	27	9	48	Cloudy
TOKYO	2	36	9	48	Cloudy
TORONTO	-6	21	-3	27	Snow
VIENNA	-6	21	7	45	Cloudy
ZURICH	-4	24	8	46	Clear

*For the latest weather conditions contact Swissair.

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Haifa 2 Sea Road 04-663655
Beer Sheva 28 Ha'avot St. 057-35282
Cargo: Ben Gurion Airport 03-9712151

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THE WEATHER

Forecast: Partly cloudy, cooler and more humid.

	Yesterday's Humidity	Yesterday's Min-Max	Today's Max
Jerusalem	18	9-26	23
Golan	12	12-25	22
Nahariya	—	—	—
Safad	32	13-21	19
Haifa Port	38	12-30	25
Tiberias	35	13-29	26
Nazareth	—	12—	—
Afula	32	8-29	27
Shomron	32	12-27	24
Tel Aviv	37	13-28	25
B-G Airport	30	11-30	26
Jericho	27	12-30	31
Gaza	52	13-26	24
Beersheba	11	12-32	30
Eilat	14	15-28	29

All pregnant women may be tested for Aids

By JUDY SIEGEL
Post Science and Health Reporter

The Health Ministry has decided "in principle" to test all pregnant women for Aids when they undergo blood tests for German measles, anemia and syphilis.

A ministry team is studying the legal, ethical, budgetary and organizational problems involved in such a step. A pregnant woman with Aids, even if she is only a carrier of the disease, is very likely to pass it on to her baby. Should a woman's blood test prove positive, her doctor will recommend that she have an abortion, the ministry has decided.

Ministry spokesman Shmuel Elgrabli yesterday provided the press for the first time with detailed statistics on the number of Aids cases and carriers in Israel.

According to the ministry statistics, updated to April 1, 1987, a total of 41 people – including 11 tourists and other non-Israelis – have been diagnosed here as having Aids since the beginning of 1982. All but two of the foreigners remained in Israel, and one of the two died abroad from the disease.

A total of 29 of the victims have already died. Of the 41, 23 were homosexuals or bisexuals; one was a drug addict; one was a homosexual and an addict; 13 contracted the disease from transfusions; and in one case the cause is unknown. One of the 41 was a woman who contracted Aids from a blood transfusion before the screening for Aids of all blood donations began here two years ago.

A total of 201 people in Israel were found to be carriers without themselves showing signs of the disease. Nearly a third of these were infected by Factor 8, an imported hemophilia drug made from blood. Since 1984, this factor has been manufactured after sterilization, which kills the Aids virus.

The rest of the carriers were homosexuals or bisexuals (48); drug addicts (33); recipients of transfusions (5); a baby who received antibodies from its mother; female prostitutes who injected themselves with drugs (4); and heterosexuals (5). The source of infection for 23 is unknown.

In the past year, about 140,000 Israelis have been checked for Aids. These include 128,000 blood donors, 10,000 checked at hospitals, and an additional 2,000 who went to one of seven special Aids testing centres around the country.

Tests at the centres are conducted at no charge, and while one's identity card number is stored to allow follow-up should the disease be found, no one except the doctor who sees the person concerned is allowed access to this information, the ministry maintains.

The centres are at Rambam Hospital in Haifa (tel. 04-515688); Beilinson in Petah Tikva (03-9268211); Ichilov in Tel Aviv (03-5436354); Sheba at Tel Hashomer (03-5310500); Kaplan in Rehovot (08-441304); Hadassah-Ein Karem (02-446543); and Soroka in Beersheba (057-660820).

An overflow crowd of some 400 medical professionals yesterday attended a seminar on Aids at Hadassah, sponsored by the hospital. Prof. Shlomo Ma'ayan of its clinical microbiology department quoted U.S. health authority estimates that, by 1991, there will be 270,000 Americans with Aids, of which 170,000 will die from the disease.

Dr. Varda Soskolny said there was confusion about who in Israel should care for Aids patients, who often suffer from the serious psychological problems. In many cases, they distance themselves from society and are treated as lepers by acquaintances and friends. Only the family generally offers support.

Prof. Zvi Bentwich of Kaplan Hospital said that even among doctors and nurses, there is much misunderstanding and ignorance. A doctor in one Tel Aviv hospital told nurses to wrap an Aids victim in a plastic bag so he shouldn't "contaminate anyone," while nurses at Kaplan refused to care for another patient.

More extensive information campaigns, among the general public and among specific groups like homosexuals, kibbutz members (who come in contact with foreign volunteers), prostitutes and soldiers were suggested by the participants.

Bar-Lev to prisoners: End strike

By JOEL GREENBERG
Jerusalem Post Reporter

Police Minister Haim Bar-Lev and Prisons Commissioner David Maimon yesterday rejected demands for better conditions by thousands of hunger-striking Arab security prisoners. Bar-Lev called on the prisoners to halt their strike "for their own good."

Bar-Lev said he would look into complaints about use of tear-gas in January at the Jneid prison, but he rejected attorneys' requests to meet with their clients in jail.

Bar-Lev said his policy was "to ease prison conditions as much as possible, within the bounds of limited resources and security constraints."



President Herzog and his wife Aura are met in Zurich yesterday by Israel's ambassador in Switzerland, David Rivlin (left). (Reuter telephoto)

Herzog honours Herzl in Basel

By DAVID HOROVITZ

BASEL. – President Herzog stood yesterday beside the plaque commemorating the first Zionist Congress held in 1897 in the Stadt-Casino hall here, and recalled the entry Theodor Herzl made in his diary at the conclusion of that congress: "In Basel, I have founded the Jewish state."

Few places are so intimately and significantly intertwined as Basel and Israel, Herzog said, describing the town as the "starting point of a political revolution in Jewish history."

Engine trouble delayed his departure from Israel after his plane left and then returned to Ben-Gurion Airport yesterday morning.

Hundreds of curious townsfolk waited the additional hour outside the distinctive 16th century Rathaus (City Hall) to welcome him, his wife Aura and aide Ami Gluska. Few seemed aware, however, exactly which country the president represented.

After the brief stop at the Stadt-Casino – a cultural, not a gambling centre – the presidential party moved on to the Rathaus, to be officially greeted by Basel District President Hans Rudolf Streibel.

"Basel is a symbol of Zionism," Streibel said in his welcoming speech, "a town of genuine friendship and respect between Jews and non-Jews."

Streibel presented Herzog, the first Israeli president to visit the area, with a stained-glass Basel coat of arms and a copy of a 1903 letter sent by Herzl to the Basel authorities to thank him for hosting successive Zionist congresses.

Herzog replied that Basel had special significance for him, because his private home in Herzliya was in Basel Street. But the Swiss influence on Israel was not confined to this one town, he added. Switzerland was a model country for early Zionist leaders.

Later in the day, Herzog visited the Three Kings Hotel, stepping into the suite Herzl occupied there in 1897, and, as Herzl did, he gazed out from the balcony across the Rhine.

Although Basel has a thriving Jewish community of some 3,000 – the second largest in Switzerland – there appeared to be little awareness of the presidential visit, perhaps because of reports in the local press some weeks ago that the trip had been cancelled.

Last night, Herzog flew to Zurich to address the Jewish community. Today, he is to meet in Bern with Swiss President Pierre Aubert who, as foreign minister, visited Israel in 1985.

Tonight, he will be in Lausanne for Maccabi Tel Aviv's European Cup basketball final against Italian champions Tracer Milan. The Herzogs will leave on Monday for West Germany.

Joshua Brilliant adds:

The El Al Boeing 767 carrying the Herzogs returned to Ben-Gurion Airport shortly after take-off because of trouble with its left engine. Ten minutes after leaving Ben-Gurion, passengers and crew heard an explosion and the cabin lights went out.

The presidential party was transferred to another Boeing 767, which left about an hour and a quarter later.

Way cleared for Hod at IAI

By JOSHUA BRILLIANT
Post Defence Correspondent

TEL AVIV. – The Israel Aircraft Industries board of directors is next week expected to get a new chairman – former Air Force commander Mordechai Hod – who has carefully refrained from publicly endorsing or opposing the Lavi programme.

Hod was nominated for the post some 10 months ago. He was to replace another former Air Force commander, Aluf (res.) David Ivri, who quit to become the Defence Ministry's director-general. But political objections blocked Hod's path.

The Labour Party, following a deal with Ezer Weizman's Yahad, presented Hod's candidacy. But the Likud blocked the nomination as a way of forcing Labour to support the candidacy of Agudat Yisrael's Shlomo Lorincz for a top post at the Bank of Israel.

This week Lorincz was appointed head of the bank's advisory committee, and Finance Minister Moshe Nissim named Hod to the IAI's board. The board is to meet next week to vote Hod chairman.



Motti Hod (Israel Sun)

Gazan seeks a replay with Peres

By ELAINE RUTH FLETCHER

Gaza attorney Fayez Abu Rahme said yesterday he would like to meet again with Foreign Minister Peres at next week's Socialist International conference in Rome.

Peres will be heading the Israeli delegation to the conference, while Abu Rahme and 41 Egyptian, Jor-

DEMJANJUK ON TRIAL

Ailing defendant watches from cell

By ERNIE MEYER
Jerusalem Post Reporter

John Demjanjuk was absent from the courtroom yesterday following what was described as a form of paralysis of the neck and back, which forced him to spend the day in his cell at Binyenei-Ha'uma.

The morning session started 45 minutes late, with presiding Justice Dov Levin announcing that he had agreed to the request by the prosecution to proceed with the trial in the absence of the accused. Normally, a trial cannot be held without the accused being present.

The team of two interpreters who have been taking half-hour turns giving Demjanjuk a simultaneous Ukrainian translation of the proceedings, did their work from the translators' booth overlooking the bench, rather than from his side. Their words were transmitted to the accused's cell as he followed the proceedings on closed-circuit television.

As the trial opened, Helge Grabitz, who heads the war crimes section in the Hamburg district attorney's office, began her fifth day on the witness stand, her second day under cross-examination.

Defence counsel Mark O'Connor asked her whether in her prosecution of Franz Streibl, the commander of the Trawniki SS training camp, she had made use of documents received directly from the Soviet Union. Her answer was no.

Following this O'Connor spent much time examining a possible relationship between those involved in the T4 euthanasia programme and the ex-Red Army auxiliary SS men, who were also called *Hiwis* from the German *Hilfswillige*, or those "willing to help." (The term T4 came from the address of the headquarters of the euthanasia programme – Tiergartenallee 4 in Berlin).

Between 1939 and 1941, this programme resulted in the death of an estimated 80,000 mentally and physically handicapped people. The methods of killing by gas perfected in this campaign were later used in the extermination camps, and T4 trial in Duesseldorf, is to testify for the prosecution from his residence in Germany.

Grabitz said that Horn was not involved in any capacity in the Streibl trial, but she did know his case.

During the afternoon session O'Connor cross-examined Grabitz on her 1975 trip to Leningrad, where she and three judges took the testimony of three former Trawniki men. One of them, an ethnic German (Volksdeutscher) called Engelhard, had served a 15-year sentence for his actions as a Trawniki man. Another of the witnesses had gone unpunished, because he had escaped from his assignment at the Belsec extermination camp to join the partisans.

Prosecutor Michael Shaked objected to the Leningrad episode being examined a second time, and at great length, but O'Connor replied that the fact that a German court had accepted the testimony given in the Soviet Union did not mean that the Israeli court judging his client should accept testimony from the same source.

Levin overruled Shaked's objection, but at the same time asked O'Connor to "cut it short."

Next O'Connor asked the witness whether she had ever handled an original document from Trawniki in her prosecution of Streibl or any of the others. "No, we only worked with photocopies. I only learned here in Israel that there is an original Trawniki identity card."

During further questioning it also emerged that Grabitz was already familiar with the Demjanjuk case when the accused was being denaturalized by U.S. courts. "I gave my U.S. colleagues many documents from the Streibl case and helped them select material from the 161 volumes of protocol that had accumulated," she said.

As Grabitz described her contact with Soviet jurists in Leningrad, Levin asked her about procedures in Russian courtrooms. He explained that his "professional" interest was getting the better of him, although his questions "have no direct bearing on our case."

As the afternoon wore on, people began leaving the hall, perhaps disappointed that there were no dramatic confrontations. The second hall, in which the proceedings are shown on a large screen, was more than half empty as the afternoon session began.

However, the proceedings are

(Continued on Page 7)

Some refuseniks assail 'the deal'

By WALTER RUBY
in New York
and ANDY COURT
in Jerusalem

A one-time Prisoner of Zion, presently in the 28th day of a hunger strike dedicated to winning the right to emigrate for himself and his family, has sharply denounced the agreement reached between two prominent Jewish leaders and the Soviet government. Lev Elbert called the reported deal "a trade of 3,500 families for 2 million people waiting to leave."

Elbert, a Kiev refusenik, is presently living in Moscow and demonstrating daily in front of the offices of the Soviet Presidium to demand the right to depart for Israel.

In a telephone conversation yesterday to the Chicago Action for Soviet Jewry organization, he said he is "not alone" in his opposition to the deal reportedly worked out between Soviet authorities and World Jewish Congress President Edgar Bronfman and Morris Abram, president of the National Conference on Soviet Jewry.

Elbert said that long-time activist Natasha Khassina shares his opposition to the arrangements.

According to initial reports, the agreement would permit increased Jewish emigration and greater Jewish religious activity in the Soviet Union. In exchange, American Jewish leaders would reportedly ask the U.S. government to waive restrictions on trade with the Soviets.

Soviet Jewry groups in the U.S. report calls from a number of other prominent refuseniks expressing opposition to the agreement, but asked that the callers' names not be used for fear they would be subject to retaliation.

In Israel, many Soviet Jewish activists have welcomed the reports about a possible deal. But there has also been sharp criticism from some quarters, where it is argued that Bronfman and Abram may have fallen for a Soviet trick, in which the Soviets will indeed allow some 12,000 refuseniks to leave and then close the gates to remaining Jews. Said Yuri Shtern, the spokesman of the Soviet Jewry Education and Information Centre: "Israel should demand open and free emigration for all Jews, and meanwhile, there is no breakthrough whatsoever."

Centre chairman Yosef Mendelevich said yesterday that any Soviet diplomatic delegation that comes to Israel before more significant progress is made towards releasing Soviet Jews will receive "a very bad reception." Yosef Mendelevich was speaking at a demonstration in front of the Knesset

"If the delegation comes soon and we still have Yuli Edelshtein and Alexei Maggryk in [Soviet] prison, there will be a very bad reception for this delegation," Mendelevich said. "The ground will burn under their feet."

About 40 people participated in the demonstration, including Natan Sharansky.

Bonds 'unhurt' by Pollard affair

Jerusalem Post Reporter

Aside from a "few calls of concern" from supporters, the Israel Bonds campaign in the U.S. has not suffered from the Pollard affair, Bonds officials told *The Jerusalem Post* yesterday.

David Hermelin, international chairman of Israel Bonds, who is here for the organization's leadership conference, said that the Bonds have two ways of judging grass-roots reactions. There is either an immediate response from individuals who won't honour pledges, won't speak or won't lead groups to Israel, or a drop in the cash flow.

Neither has happened, he said.

As proof of the cash-flow maintenance, Julian Venetzky, U.S. chairman, pointed out that $148.8 million had been invested in the first quarter of this year, a 40 per cent increase over the same period last year.

MDA gets half a helping hand

Post Science and Health Reporter

Contrary to an agreement reached on Tuesday, the Health Ministry did not transfer NIS 1.6 million to Magen David Adom, but only NIS 640,000.

As a result, sanctions at MDA will continue today, and there will be no ambulances to bring patients home from hospital. However, all emergency calls will be answered.

MDA lacks money to pay income tax authorities sums owed for its employees, and the authorities' agreement to extend MDA debts over several years is in jeopardy.

OLIM

(Continued from Page One)

But in meetings with Israeli diplomats, the Soviets have hinted that such a visit to the Russian capital would be possible in the future. A Foreign Ministry spokesman said yesterday that there is "understanding" with the Soviet Union about the principle of reciprocity and about a visit by an Israeli delegation to Moscow.

Foreign Ministry sources said that in the meeting between Israel Ambassador Meir Rosenne and Soviet *charge d'affaires* Oleg Sokolov in Washington last week, the Israeli diplomat said that Jerusalem insisted on its right to send a delegation to Moscow in the future. Sokolov said that such a visit would be possible, but he was careful not to create any linkage between the two delegations.

Israeli officials expect another meeting soon with the Soviets in Washington in order to settle technical details regarding the delegations.

An AFP report from Moscow said that British Prime Minister Margaret Thatcher had breakfast yesterday with refuseniks Yosef and Inna Begun at the British Embassy and told them that the Kremlin considered the fate of Soviet Jews to be an internal affair.

"Mrs. Thatcher told us that she had raised the problem of Soviet Jews with Soviet authorities, but that the issue irritated them because they consider it an internal affair," Begun told foreign newsmen after the breakfast.

Thatcher had, however, voiced hope that Soviet authorities would "do something" for Soviet Jews who want to emigrate to Israel, said Begun.

Bethlehem U. stays shut

By JOEL GREENBERG
Jerusalem Post Reporter

The military government extended the closure of Bethlehem University and troops arrested dozens of Palestinian rioters yesterday in scattered incidents linked to this week's Land Day anniversary.

The university closure was extended to April 4 to prevent possible disturbances, a military spokesman said. The campus had been ordered shut last week to prevent Land Day protests.

In the neighbouring village of Al-Khadr, a boys' school was ordered closed for a week after a crowd of pupils stoned passing Israeli vehicles.

A curfew until noon today was imposed on the Balata refugee camp near Nablus after masked demonstrators threw stones at troops and set up barricades of rocks and burning tyres.

Troops arrested seven people at the Islamic College in Hebron after the stoning of a bus. Several dozen pupils who threw stones at soldiers were detained at Beit Sahur.

SIM

tion from the Histadrut. "I hope to introduce the changes this year," he said.

Nissim and Deputy Finance Minister Adi Amorai said that in fiscal 1987/88 the government's borrowing requirements had been considerably reduced. This would enable the private sector to raise some NIS 1.4 billion in the capital market, in addition to government credits totalling NIS 500 million.

Amorai added that in the current fiscal year, the government would free a further NIS 1.8b., due to a further drop in its borrowing requirements.

With deep sorrow we announce the passin
father and brother

ROGERS ISAAC COH

The funeral will take place tomorrow, April 3, 19
at the Givat Shaul Cemetery, Jerusal

His son: Isaa
His sister: Rita

...e passing of our beloved

...LERMAYER

...ill be held on Friday,
...12:30 p.m.
...metery, Jerusalem.
...e entrance gate.

The Family

To Mr. Isaac Cohen and to Mrs. Rita L. Tamman
our heartfelt condolences on the passing
of your beloved father and brother

ROGERS ISAAC COHEN

Ishag Families, London
Ben David Families, Tel Aviv

With deep sorrow we announce the passing of
our dear mother

ANNIE PERUTZ

The funeral took place yesterday, April 1, 1987.
Shiva at Beit Wodak, Herzliya Pituah, 30 Arye Ben-Eliezer St.

Children: Susi and Ernst Wodak
Emmy and Joseph Zarchin
Dorothy and Dr. Otto Pollak
Grandchildren and great-grandchildren

Pretoria claims success in beating the arms embargo

JOHANNESBURG (Reuter). – South Africa, target of a decade-old UN arms embargo, said yesterday its weapons industry was so advanced it was now the third largest foreign-currency earner after mining and agriculture.

A daily commentary on state radio heaped praise on Pretoria's response to the 1977 embargo and said the defence force did not now depend on any foreign country for weapons.

The commentary was broadcast a day after the head of South Africa's state-owned arms manufacturing industry said Israel, which had declared a moratorium on new defence contracts with Pretoria, was not indespensable to his country's security.

The radio said the embargo, imposed over Pretoria's race policies, had been neutralized and the state-owned industry, known as Armscor, "can provide all the weapons reasonably required by the South African Defence Force" and has also become a major arms exporter.

"So much so, that in the last financial year Armscor was the biggest earner of foreign exchange for South Africa after the mining and agricultural sectors," it said.

Foreign governments have been accused of violating the arms embargo, largely through continued supply of know-how to South Africa.

Armscor produces such military equipment as armoured personnel carriers, large-calibre cannon patrol boats and missiles.



A Greek Orthodox priest, flanked by church supporters and other priests from all over Greece, chants slogans against a government plan to take over church lands. The demonstration took place in downtown Athens yesterday. (Reuter telephoto)

FOREIGN BRIEFS

'We Are the World' royalties missing

LONDON. – Several countries – including Israel – have been accused by the "USA for Africa" organization of failing to pass on all revenues from the sale of the 1985 fund-raising record for African famine relief.

The charity's accountants believe that the missing monies are centred in Israel, Greece and Latin America.

An audit of the earnings from the "We Are The World" single and album – which featured such pop stars as Michael Jackson, Stevie Wonder and Bruce Springsteen – has revealed that over $2 million in royalties are missing.

Aircraft held unless Libya returns 3 Egyptians

CAIRO (AFP). – President Hosni Mubarak of Egypt yesterday said that two Libyan aircraft flown to Egypt last month by crews who asked for asylum will not be returned until Tripoli releases three Egyptians missing in Libya.

Mubarak, who spoke during a tour of the Nile Delta town of el Mansura, 120 kilometres north of Cairo, also said of the request for asylum "welcome to anyone who seeks asylum."

Hussein to visit Belgium over ME peace process

BRUSSELS (Reuter). – Jordan's King Hussein is to visit Belgium, currently president of the European Community (EC) Council of Ministers, early next week to discuss recent moves to reactivate the Middle East peace process, a Belgian Foreign Office spokesman said yesterday.

Hussein is to arrive next Monday evening the day after an informal weekend meeting of EC foreign ministers devoted in part to prospects of holding an international Middle East peace conference.

N-plant closed after staff found asleep

WASHINGTON (AFP). – A Pennsylvania nuclear plant was ordered shut down on Tuesday because its control-room employees were caught sleeping on duty, the government U.S. Nuclear Regulatory Commission (NRC) said yesterday.

The Peach Bottom plant, owned by Philadelphia Electric Corp., will not be permitted to resume its operations until "very serious" problems are corrected, an NRC spokesman said, adding that instances of "inattention to duty" were not isolated.

"At times during various shifts, in particular the 11 p.m. to 7 a.m. shift, one or more of the Peach Bottom operations control room staff, have for at least the past five months periodically slept or have been otherwise inattentive to licence duties," the commission said.

Airplane collides with fish in mid-air

JUNEAU, Alaska (AFP). – An Alaska Airlines flight was delayed for an hour after the airplane collided with a fish in mid-air, it was reported here yesterday.

The collision occurred on Monday when the Boeing 737 aircraft crossed the flight path of an eagle, which dropped the fish it held. The fish hit a cockpit window.

"They found a greasy spot with some scales, but no damage," when the plane was inspected during its Yakutat, Alaska, stopover, said a Juneau airport spokesman. He added, "The law of the jungle prevailed. As the larger bird approached, the smaller bird dropped its prey."

Gunmen free Japanese businessmen

MANILA (Reuter). – Kidnappers who demanded $5m. ransom freed Japanese businessman Nobuyuki Wakaoji, ending a 136-day ordeal that strained relations between Japan and the Philippines.

Presidential spokesman Teodoro Benigno said yesterday that Wadaoji, 53, was released blindfolded but apparently unharmed in Quezon City on the outskirts of Manila on Tuesday night.

Benigno said the Philippine government had no knowledge of any ransom being paid.

Round-the-world walk in 4 years

BETHEL, Ohio (AP). – A journalist who has spent four years walking around the world was to set out for his southwest Ohio home yesterday on the last 8-km. leg of his 24,945-km. trip.

Steve Newman, 32, who stayed with 300 different families in 20 countries said he was arrested as a spy in Turkey and almost washed away by a flash flood in Australia, but had been welcomed by other people around the world, some of whom boarded him in their homes.

U.S. earmarks $20 m. for Aids fight

WASHINGTON (AP). – The House of Representatives Foreign Affairs Committee voted Tuesday to earmark $20 million in foreign aid money for fiscal year 1988 to help fight the spread of Aids in developing countries.

Of the toal, $12 million would be funnelled to organizations such as the world health organization, which last week announced a worldwide plan for fighting the epidemic that called for close cooperation between developed countries and the Third World.

Flights from Beirut airport being resumed

BEIRUT (AFP). – Lebanese Christians warned yesterday against the reopening of Beirut International Airport, which is located in the city's Moslem-dominated western sector, a day after Lebanon's Sunni Moslem premier pledged that flights would resume at the end of the week.

Meanwhile, a Middle Eastern Airlines (MEA) official said yesterday the Lebanese airline was preparing to resume flights out of the airport.

"We're waiting for a telex from London confirming our airplanes are insured to resume operations," the official said, adding that he was "optimistic" that insurance would be approved in time for an MEA plane to take off Friday.

In other developments, four Palestinian children died of malnutrition and a woman demonstrator was shot dead yesterday in two Beirut refugee camps blockaded by the Shi'ite Moslem Amal militia, the pro-Syrian Palestine National Salvation front said.

There was no independent confirmation of the reports.

The Democratic Front for the Liberation of Palestine said snipers killed one woman and injured three others demonstrating at Bourj al-Barajneh camp against Amal sieges.

It also reported three hours of overnight gunbattles and mortar bomb clashes with the Shi'ite Amal militia at the camps, but said there were no casualties.

Meanwhile, PLO Chairman Yasser Arafat said yesterday that Amal and Syrian intelligence agents were holding four foreign hostages at the Bekaa valley in east Lebanon.

"The four hostages are now with (Nabih) Berri's Amal forces and Syrian intelligence at Anjar, the headquarters of Syrian intelligence there," Arafat told a press conference in Baghdad.

He was replying to a question about a claim by Berri who said yesterday that Arafat knew the whereabouts of the four hostages, three Americans and an Indian who were seized from Beirut University College in January.

Swedes to discuss ME in China

By BENNY MORRIS
Post Political Correspondent

STOCKHOLM. – Sweden's Prime Minister Ingvar Carlsson and senior foreign policy officials are due to leave today for a state visit to China where they will discuss the Middle East situation.

In an interview with this correspondent, Pierre Schori, state secretary in the Foreign Ministry said that during Carlsson's visit – the first by a Swedish premier to China – talks were likely to focus on the need for an international peace conference to solve the regional conflict.

Schori also announced that Sweden's foreign minister, Sten Andersson has accepted Israel's invitation to visit Jerusalem and will do so later this year or at the beginning of 1988. Foreign Ministry political director-general Yossi Beilin is due here next month.

He added, however, that "no visit by Prime Minister Shamir in Sweden is planned," implying that such a visit is not even a remote possibility. Schori spoke of Shamir's connection with the assassination of Count Folke Bernadotte, UN mediator for Palestine in 1948, as constantly cropping up in the Swedish press.

Referring to Southern Lebanon, Schori said that Sweden's participation in Unifil, begun last year, had "gone better than expected," but, he added, "Sweden is dissatisfied with the whole arrangement" and wanted a trial redeployment of Unifil troops down to the Israel border.

Before joining the force last year, Sweden had asked Israel for "clarifications" about Israel's attitude to Unifil but had received none, Schori said. He added that Defence Minister Rabin had "shown no flexibility" on the issue during his talks here with Schori and others last November.

Sweden "deplores" Israeli arms trading with South Africa, Schori declared. He was also highly critical of Israel's settlement policy in the territories. He recalled that during a visit to Israel in 1983 he had been "shocked" by the juxtaposition of "luxurious villas" being built in the Jewish settlements "while Palestinians lived behind barbed wires."

Israel, he said, often overreacts to criticism by Sweden. "It treats us as if we were hostile. In fact, we are old and strong friends. Israel for us, at least before 1967, was a type of utopia," said Schori. He thought that attitudes to Israel by Swedes changed gradually following 1973, when the Palestinians "emerged as the Jews of the Middle East."

UN chief holds soundings on possible Mideast parley

UNITED NATIONS (Reuter). – Secretary-General Javier Perez de Cuellar has scheduled meetings with representatives of the U.S., China and Britain as part of his sounding on prospects for an international Middle East peace conference.

Under a general assembly resolution last December, Perez de Cuellar is required to continue efforts to convene such a conference and to submit a report by May 15.

The resolution also urges the establishment of a preparatory committee within the framework of the 15-nation Security Council and with the participation of its five permanent members.

The secretary general on Tuesday called in the U.S. charge d'affaires, Herbert Okun, and has scheduled meetings with China's Li Luye and Britain's Sir John Thomson.

A UN spokesman who announced the appointments noted that Perez de Cuellar discussed the Middle East on Monday with visiting French Foreign Minister Jean-Bernard Raimond and was expected to see the Soviet representative shortly.

He confered earlier this month with Jordanian Foreign Minister Taher al-Masri and later met the director general of Israel's foreign ministry, Avraham Tamir.

A spokesman for the U.S. mission said Washington believed any Middle East peace conference must lead to direct negotiations between Israel and its Arab neighbours.

Although Perez de Cuellar was recently reported to be considering a trip to the Middle East, a spokesman said on Tuesday he had no immediate plans for such a visit.

Iran marks anniversary of Islamic Republic

NICOSIA (AP). – Thousands of Iranians yesterday marked the eighth anniversary of the 1979 vote that ushered in Ayatollah Ruhollah Khomeini's Islamic Republic with cries of war until victory. Earlier, the official Islamic Republic News Agency quoted the commander of the Revolutionary Guards, Mohsen Rezaei, as saying that Iraq had suffered 200,000 casualties over the last Persian year, which ended March 21.

Libyans abandon $1b. in weapons

N'DJAMENA (AP). – Chad forces have captured what Western analysts estimate to be more than $1 billion worth of sophisticated weaponry in a succession of victories over Libyan occupiers.

Most of the equipment is from the Soviet Union or the Soviet bloc. Some has never before fallen into Western hands, according to military and diplomatic sources.

Among the captured material were at least 70 T-55 tanks, 20 light aircraft and four helicopters, all taken intact and in working condition.

French sources said the Chadians also captured several Sam-13 sophisticated surface-to-air missile batteries – known within Nato as Gophers – with a range of 6,000. These relatively new weapons systems have never before fallen into Western hands, the analysts said, and French intelligence officers were inspecting them closely.

The Sam-13s were originally mistaken for the equally sophisticated but more powerful Sam-10 missiles which also have never fallen into Western hands. The sources denied French press reports that the Chadians had captured some Sam-10 batteries.

'Arafat signing peace pact with six groups'

Post Middle East Staff

The first meeting in years between PLO Chief Yasser Arafat and George Habash, radical leader of the Popular Front for the Liberation of Palestine should take place soon in Algiers, said Khalil al-Wazir (Abu Jihad) on Tuesday. He was quoted by Libya's official news agency.

Reliable sources in Algiers said the Arafat-Habash meeting should take place between April 5 and April 10, just prior to the opening of the Palestine National Council April 20 in Algiers.

The PNC meeting is expected to focus on a long-awaited reconciliation between various PLO factions.

Late Tuesday, Habash and three other Palestinian leaders who are critics of Arafat, arrived in Algiers to take part in consultations ahead of the forthcoming session of the PNC.

They were: Nayeh Hawatmeh of the Democratic Front for the Liberation of Palestine, Talaat Yaacoub of the pro-Syrian branch of the Palestine Liberation Front and Atef Abu Bakr, a spokesman for the Fatah-Revolutionary Council – a breakaway group led by Abu Nidal.

E., W. Germans swap spies across their joint border

BONN (AFP). – West German and East German spies crossed the border to their respective homes yesterday in a prisoner exchange deal, the West German news agency DPA said, quoting what it said were informed sources.

A spokesman for the government here refused to confirm or deny the report, saying it was against policy to give details on such matters.

A DPA dispatch said West Germany traded Lothar Erwin Lutze, a former defence ministry employee who allegedly spied for the East Germans, for four of its agents who had been detained in East Berlin.

The exchange took place across the Herleshausen border post on the central post of the joint border, the agency added.

Lutze was accused of disclosing plans of Nato fuel pipelines. The other spies were not immediately identified.

$26 million art sale in London

LONDON (AP). – Another London art sale of impressionist and modern paintings and sculpture brought £16.4 million ($26.2m.) on Tuesday night, Sotheby's said, following the world-record Vincent Van Gogh "Sunflowers" sale at Christie's on Monday.

Two portraits by Austrian painters Gustav Klimt and Egon Schiele sold for £1.76m. ($2.8m.) each. Both paintings came from unidentified Swiss sources and were bought anonymously by telephone bidders.

Klimt and Schiele were the principal painters in the art nouveau style in Austria at the turn of the century.

Sotheby's said there was "heavy buying" from Japan. The Japanese Fuji Gallery dealers paid £561,000 ($897,600) for a portrait of a pretty young woman in a flowered hat by Pierre-Auguste Renoir.

The Van Gogh "Sunflowers" sold anonymously for £24.75 million ($39.85m.) on Monday, smashing all records for an auctioned painting, and 42 other works made nearly £13.8m. ($22m.).

In Hongkong – the name's the thing

HONG KONG (Reuter). – Hong Kong's new governor, who takes up his post this month, has already bowed to local opinion in one key issue – his name. Sir David Wilson left his English name alone but the chosen Chinese translation had to go.

Newspapers in the British colony urged him to change the Chinese characters because in the Cantonese dialect spoken here it rhymed with "hypocrisy to the extent of being dangerous." Two of the characters in his name were described as "two ghosts knocking at the door."

Now he is, "Defend and protect with faith and trust."

In Hong Kong, names are a serious business.

"Some Cantonese believe that a name affects a man's fate," said Lo Keung, 33-year-old owner of a school specializing in Chinese astrology.

"In choosing a name it's important to know the exact time of birth and to which of the five elements of life a person belongs," he said.

Metal, wood, water, fire and earth are the five elements, according to an occult theory that historians say dates back to the sixth century BCE and still holds sway over some Chinese beliefs.

Students at Lo Keung's school spend up to two years learning their art. When they graduate, they can command up to $250 for choosing the right name, usually for new companies.

The right choice often takes its cue from dollars and cents in this bastion of capitalism. Hong Kong is home to the Dollar Tea Company, Dollar Printing and Dollar Motors.

Gold is another favourité. There is Golden Dollar Tailor, Gold Power Tours, Gold Shark Fin Restaurant, Golden Bridge Textile and the Golden Eagle Steam Laundry.

And there are Ever-Rich Plastic Industry, Easy Success Company and Billionaire Finance.

Where else would one want to live but in Wealthy Heights? Even the food you eat is carefully named: There's "Longevity Fruit" for the familiar papaya. "Lucky Hand" – a combination of pig's feet and lettuce – and Business Boom for dried oysters.

"It's a belief in the power of symbols," said Michael Bond, a senior lecturer in psychology at Chinese University. "Names have a pulling power in terms of your own destiny. At least a good name gives you a good start."

That belief spills over to arithmetic. Some numbers sound better than others in Cantonese.

When the colony's leading airline sold its shares to the public last year, the price was chosen partly for good luck.

"We put together a profit forecast and the number (for the price) we reached was 3.88 dollars per share," said Nigel Melville, managing director of financial specialists Baring Brothers, Asia.

"Normally, we round it off but someone pointed out it sounded quite good. So we stayed with it," he said.

In Cantonese, three rhymes with the character for life and eight rhymes with prosperous.

This attention to detail does not always mean the right choice of names, especially when it must apply both to Chinese and English.

Not everyone would be reassured by shopping at the Good Luck Meat Company while weight watchers might shun the Fat Fat Ice Cream House. And what would a non-swimmer's reaction be to the Lee Kee Boat Service Company?

Thatcher ends Soviet trip in Georgia

TBILISI (Reuter). – British Prime Minister Margaret Thatcher, ending a five-day visit to the Soviet Union, flew to Georgia yesterday for sightseeing and talks with local leaders.

She was greeted on her arrival in the capital, Tbilisi, by Georgian Prime Minister Otar Cherkezia. A group of young people in colourful local costume presented her with roses and crowds lined her route from the airport to the city centre.

During her eight-hour stay in Tbilisi, Thatcher attended a meeting of the Georgian government, visited the Republic's Arts Museum and went on a sightseeing tour. Later, she was to return to Britain.

The Conservative leader told a news conference on Tuesday the Kremlin needed to do more in the field of human rights, and dramatized her concerns by meeting earlier in the day with Andrei Sakharov, the nation's foremost dissident.

"Anything that makes the Soviet Union a more open society will help to strengthen trust and confidence," Thatcher told reporters, linking Kremlin actions on human rights to progress on weapons reduction.

Pope's visit – 'Chile to be free for 6 days'

SANTIAGO (Reuter). – Pope John Paul II arrived in Chile yesterday for a six-day visit during which he is expected to speak out on human rights under the military government of President Augusto Pinochet.

Pinochet, whose government the pope has labelled dictatorial, was waiting at Santiago Airport to meet the pontiff.

The pope is due to meet with a wide range of Chileans. Noting the breath of liberty brought by the pontiff's visit, Gabriel Valdes, leader of the moderate opposition Christian Democratic Party said: "Chile is going to be free for six days."

MAGNET. – Soviet scientists have made the world's first plastic magnet, six times lighter than magnetized iron.

Baby M's biological mother appeals custody ruling

HACKENSACK, New Jersey (AP). – An unprecedented ruling upholding a surrogate mother contract and awarding custody of Baby M to her father will give the infant her only real chance to grow up healthy and secure, the father's lawyer said yesterday.

The ruling on Baby M was reported in a late bulletin at The Post on Tuesday night.

Superior Court Judge Harvey Sorkow on Tuesday upheld the legality of the surrogate arrangement, denied the biological mother, Mary Beth Whitehead, the right to see her child again and granted custody to William Stern, whose sperm was used to artificially inseminate Mrs. Whitehead.

Minutes after the 121-page ruling was read, Stern's wife, Elizabeth, adopted the year-old baby and Mrs. Whitehead's lawyer requested a stay of the decision.

The appeal is expected to go directly to the State Supreme Court. Mrs. Whitehead has asked Sorkow that, pending the appeal, she be allowed to continue seeing the child she called Sara, but who is now Melissa Elizabeth Stern.

Gary Skoloff, the attorney for the Sterns, said on the U.S. television network NBC's "Today" programme yesterday that what Sorkow "really concluded is the only chance that Melissa has to grow up as a healthy, secure child, was what all of the mental health experts said on all sides – 'you've got to end the publicity – you've got to end the warfare.'"

"And the judge absolutely read right that in this case there would be no way the Sterns and the Whiteheads could ever raise that child with any connection with each other," Skoloff said. "He took the very strong step of building the wall to give the child the only chance that she has to make it in this world. One set of parents. One home. Period."

The judge ruled that surrogate parenting is not the same as baby-selling because the father "cannot purchase what is already his." He said states should regulate the practice but that it is legal because just as there is a law allowing abortion, "the same law may be used to create and celebrate life."

Just as men have the constitutional right to sell their sperm, women can do what they want with their wombs, Sorkow said, and "a woman with her husband have the right to procreate and rear a family."

The judge described Mrs. Whitehead as manipulative and exploitive, untruthful in testimony and unwilling to accept that her husband's problems, especially his alcoholism, are hers.

Sorkow said Mrs. Whitehead "knew just what she was bargaining for" when she signed the $10,000 surrogate contract and agreed to be inseminated with Stern's sperm.

The Sterns, the judge said, offer a stable and caring environment for the child.

"They have shown no difficulty in coping with crisis," Sorkow said. "It may be anticipated that because the child is unique and at risk, crisis for the next several years will be part of their lives."

The Sterns tearfully expessed sorrow about how their attempt to have a child turned sour.

Sten promised to be frank with this daughter, who had been in his temporary custody, and his wife said they would not stop her from getting to know Mrs. Whitehead if she chooses.

Mrs. Whitehead heard the news at her brick township home, hours after seeing her baby for what could be the last time.

The judge ordered the Sterns to pay Mrs. Whitehead the $10,000 but her lawyer said he did not expect her to spend it pending the appeal.

Craxi government to face vote of confidence

ROME (AP). – Italian President Francesco Cossiga announced yesterday that he had rejected the month-old resignatin of Socialist Premier Bettino Craxi and told him to seek a vote of confidence in Parliament.

The move came a day after veteran Comunist politician Nilde Iottivn assigned to sound out leaders of political parties on ways to solve the government crisis, finished her consultations. While she expressed belief that there were ways of unblocking the political stalemate, she did not announce any concrete results.

Cossiga's move appeared to be a last-ditch effort to head off early elections, currently scheduled for spring of 1988. Craxi's five-party coalition collapsed March 3.

A STUDY IN AMERICAN POPULAR MUSIC

"FUNNY IT DOESN'T SOUND JEWISH"

A LECTURE-DEMONSTRATION BY

JACK GOTTLIEB

Tonight, April 2, 8:30 p.m.
Rebecca Crown Auditorium, Jerusalem.

Tickets available at the Auditorium box office and at the AACI office, Jerusalem.

Soviet emigration stirs rivalries

By ROBERT ROSENBERG
Jerusalem Post Reporter

Soviet Jewish emigration through Bucharest, if it does indeed happen, will require rethinking of the entire process of receiving the emigres by both American Jewish relief organizations and Israeli bodies such as the Jewish Agency and the Absorption Ministry. And the expected jump in aliya from the Soviet Union is already forcing the Agency and the ministry to look once again at how they go about welcoming immigrants.

A meeting is slated for today between Agency and ministry heads to discuss plans for the absorption of thousands of Soviet Jews this year.

According to diplomatic sources here, Romania is not likely to allow either American philanthropic organizations or Jewish Agency officials to be present in Bucharest to facilitate the emigration process.

Since the early 1970s, Vienna has been the waystation for Soviet Jewish emmigrants. There they were able to choose between going to Israel and accepting help from the Jewish Agency, or going to the U.S with the assistance of the Hebrew Immigrant Aid Society, the American Jewish philanthropic organization.

Jewish Agency Aliya Department head Haim Aharon, who has been insisting of late that absorption for the first six months of an immigrant's stay in Israel should be entirely the Jewish Agency's province, said this week that it would be necessary to shut down the myriad bureaucracies operating at Ben-Gurion Airport. Planeloads of emigres arriving from Bucharest would be taken directly to a main processing centre, away from the airport.

The meeting today between Absorption Ministry officials headed by Minister Ya'acov Tsur and agency officials headed by Arye Dulzin is expected to work out the final details of a combination of agency and ministry plans for the absorption of large numbers of immigrants.

Tsur told *The Jerusalem Post* last week that he had a $250 million plan, which American Jewry had agreed to help finance, for the absorption of some 10,000 Soviet emigres.

But Aharon is unhappy with the Tsur plan, which involves bypassing currently saturated absorption centres and establishing a set of criteria for subsidizing rental housing immediately for arrivals. Tsur says the absorption centres create a "slum mentality of dependence" on the agency and government authorities.

Despite Aharon's opposition, Tsur and Jewish Agency treasurer Akiva Levinsky last week reached a preliminary agreement, under which Levinsky promised that the agency would fund 50 per cent of the Tsur plan.

Tsur and Levinsky are both Alignment men, while Aharon belongs to Herut.

Aharon apparently has his own plan for absorbing the immigrants. Among other things, it includes expanding existing absorption centres and beefing up facilities for Hebrew education and job placement.

Both agency and ministry sources are saying that "now is no time for a dispute over prestige." But there's a long tradition of dispute between the agency and the ministry over responsibility for immigrants.

The $250m. budget for Tsur's programme covers the costs of the rental subsidies, as well as mortgages and preliminary language instruction.

Housing for immigrants is not expected to be an immediate problem. There are some 60,000 vacant apartments in the country. And about half are in the central region, where most of the immigrants are expected to want to live.

But there is a major problem that the government has not yet addressed in a coordinated way – jobs for the immigrants.

Most of those expected to come here are highly trained in professions where there is already growing unemployment. The budget cuts in ministries and government-funded bodies, such as universities, could make it difficult to find work quickly for several thousands new immigrants.

Government sources have confirmed that many of those arriving will not be able to find jobs on the level they had in the Soviet Union.

And unemployment or job dissatisfaction could turn into a nightmare for Israel, the sources said.

"Unemployment will lead to emigration, and will become known quickly to Jews still hesitating about aliya," they said.

Indeed, direct transportation from the Soviet Union to Israel, via Romania, may not solve the "dropout" problem.

Jews who leave the Soviet Union must ask to emigrate to Israel. If they decide to go to the U.S., making use of the refugee status granted them by Washington, Israel regards them as dropouts who have reneged on a commitment to come here. But the U.S. and American Jewish organizations insist that Soviet Jews should be free to choose their destination.

Diplomatic sources have said that direct flights would not mean an end to the problem of refugee status granted by the U.S.

Theoretically, said one source, "there could be problems with emigres arriving in Israel and saying they wanted to go to America."

Some emigration activists have emphasized recently that at least among the 12,000 known refuseniks, there is a "high level of Jewish consciousness," and that many of those 12,000 would not drop out.

But other activists said that "at least half of the 12,000 will go to America because they have relatives there."

Only about 25 per cent of some 500 Soviet Jews who arrived in Vienna this month chose Israel as a final destination.



Brazilian Bishop Ivo Lorscheiter and Rabbi Henry Sobel meet Mayor Teddy Kollek. (Benami/Media)

Brazil bishop boosts dialogue

By ANDY COURT

One of the most powerful bishops in Brazil, the world's largest Catholic country, prayed beside a rabbi at the Western Wall yesterday. Dom Ivo Lorscheiter, president of the National Conference of Brazilian Bishops, said earlier that the Vatican's policy of not recognizing Israel in no way prevented the progress of Jewish-Catholic dialogue.

Lorscheiter speaks for the Catholic leadership of a country where 90 per cent of the 130 million population are Catholics.

This is the first time that such a prominent Brazilian clergyman has visited Israel in an official capacity.

"Because of the hierarchy that exists within the Roman Catholic Church, the Vatican has the last word with regard to international policy," Lorscheiter said. "But this is a structural issue. The fact that I decided to come, and that Rome gave me full support for this visit, speaks for itself."

In keeping with Vatican policy, and in an attempt to avoid the publicity problems that New York Cardinal John O'Connor had to contend with a few months ago, Lorscheiter has not scheduled any official meetings with government figures. However, he did meet briefly with Jerusalem Mayor Teddy Kollek yesterday.

Relations between Brazil's Catholics and its Jewish community of about 170,000 have improved greatly in recent years, Lorscheiter said. Courses on Judaism are now being introduced in Catholic schools, and courses on Catholicism will later be introduced in Jewish schools, he said.

In November 1986 Brazilian bishops included an item in their guidelines about "the right of the Jews to a peaceful political existence in their land of origin...a right which becomes real in the State of Israel."

Roundup of legislative session

Hillel urges: Power to the Knesset!

By ASHER WALLFISH
Post Knesset Correspondent

Knesset Speaker Shlomo Hillel yesterday urged that the Knesset pass legislation giving it the power to set up judicial commissions of inquiry without the initiative necessarily coming from the State Control Committee.

Speaking to parliamentary correspondents at the end of the winter term (the Knesset begins its Pessah recess today), Hillel said he would not go so far as to advocate subpoena powers for each and every Knesset committee. This would create too many political difficulties, he believed.

"It is quite natural and normal for the Knesset to grapple with the government at all times and fight to establish its position vis-à-vis the administration," he said. "Whereas in the past it was virtually taboo, even in the Foreign Affairs and Defence Committee, to demand information about arms exports and about the work of the intelligence and security services, the recent inquiries into arms sales to Iran and into the Pollard affair have brought the Knesset significant achievements in that confrontation."

The Speaker said that the present – Eleventh – Knesset is a socially oriented parliament. This was because legislative proposals of a social nature, which the opposition had vainly sought for years to get past the coalition, had now been successful.

Such legislation involved the labour courts, women's working conditions, wage protection and the minimum wage, as well as amendments connected with the National Insurance Institute, he said.

Hillel attributed the advances in social legislation to the fact that the coalition, with its 96 MKs out of a total of 120, was sufficiently entrenched and self-confident to allow change. "In past Knessets, when there was a coalition majority of 61 or 62 MKs, the coalition was often so nervous that it imposed strict coalition discipline on absolutely everything," he said.

The Speaker said that the Knesset was now taking greater pains to see that MKs were only paid their meals allowance if they attended. Till now, he explained, MKs simply had to submit a signed form to claim the correct number of daily allowances. From now on, a special control panel at the members' entrance not only indicates, on a board elsewhere in the building, who is present, but also signals the computer in the administration offices that the MK in question had arrived to discharge his parliamentary duties in one way or another.

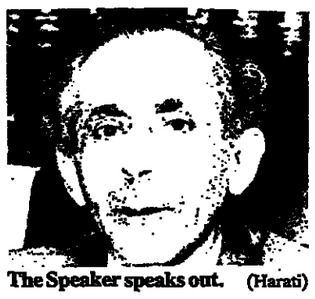
Further to decisions in the Ethics Committee and the House Committee about MKs' conflict of interest, such as the ban against an MK representing a person or a body before any official agency, Hillel said the preparation of a register of incomes and a register of interests was now being discussed.

The proposal to prohibit MKs from practising a second occupation was very complicated and was being studied by a special committee set up by the Speaker and chaired by the former state comptroller, Yitzhak Tunik, he noted. Extreme restrictions should be avoided, Hillel said.

In various comments on parliamentary activity, Hillel said that no-confidence motions, which can be tabled without limit, even by a one-man faction, had more or less come to "look like a load of junk which nobody cares about."

There were 21 no-confidence motions in the entire four years of the Tenth Knesset, he recalled. During two-and-a-half years of the present Knesset, 104 such motions had been tabled.

Hillel complained that even though he asked the House Committee a year ago to discuss proposals for limiting the absolute freedom to table motions of no-confidence, nothing had been done. Both the big factions and the small ones were reluctant to impose any restrictions, he grumbled, leaving correspondents with the impression that the factions were quite happy to let the Knesset carry on wasting its time. A motion of no-confidence takes precendence over every other business, he noted.



The Speaker speaks out. (Harari)

"They have turned the no-confidence motion into a sacred cow," Hillel said.

Asked about the possible options for managing an incomes register, Hillel said he would be quite happy if each MK filed a copy of his annual income tax return. Ministers who are MKs would have to file a copy of the annual return along with MKs, if the arrangement were instituted, he believed. As of now, cabinet ministers file a declaration of capital with the state comptroller, while MKs who are not cabinet ministers file such a declaration with the Speaker.

At present, Hillel noted, MKs are not compelled to submit a declaration of capital. Only one man, Likud MK Benny Shalita, refuses to do so on principle.

Hillel said he has no power to make the capital declaration public unless the MK himself, or a court of law, so requests. "The idea is to protect an MK against libel, so that if he is even accused of lining his pockets, he can produce a declaration which he filed in the past, to prove the nature of the property and funds he possessed on becoming an MK."

Asked about the attendance records that are now being kept on the computer, Hillel said he would transmit them to the heads of the factions in whose name the MKs had been elected. He would also consider seeing that they were made available to parliamentary correspondents.

In mid-afternoon, when he wound up the plenum session, Hillel complained that for many weeks he had tried to get the Knesset to vote an amendment to the Basic Law: Knesset, requiring that an MK hold one nationality only.

The legislation was all ready for the final readings, he said. But at no time had the chamber ever contained the 61 MKs necessary for a majority on such legislation, he said, even though nobody would have voted against it except Kach's Meir Kahane, who is the only one with dual nationality.

Hillel also chided MKs for using abusive language in the plenum, and revealed that one-and-a-half pages of abuse had been cleaned off the daily record in the word processors, and stored in a different section of the memory. Many epithets refer to secularism and the left wing. "Nazi" and "racist" proliferate.

The abuse included the following phrases:

"This stiff, " "pinko terrorist," "atheists and disbelievers, ignoramuses and clods," "you Hellenizer, you hater of Israel and of the faith," "you're grade 8, you're a reject," "cannibal," "you treacherous pinkos," "you insect," "you're more violent than a policeman," "you're the biggest pig of all, you're a beast," "you little Hitler," "you vampire," "you slime, you gangster."

Missionaries 'duping' Israeli dancers

By DAVID HOROVITZ
Jerusalem Post Correspondent

LONDON. – Anglo-Jewish leaders have protested to Israel over the visit to Britain of 20 members of Herzliya's Shalhevet dance group, claiming that the group will be manipulated during its two-week tour by a "dangerous missionary organization."

The Shalhevet dancers – who are all 16 or 17 – arrived here this week for a tour reportedly sponsored jointly by Israel's Education Ministry, the Herzliya Municipality and a Christian fundamentalist missionary group called Prayer for Israel (PFI).

In protest against PFI's involvement in the visit, the dancers have already been barred from two scheduled performances before Jewish audiences – one at a London synagogue hall, intended to raise funds for Israeli war-wounded.

The dancers' itinerary here has largely been organized by PFI, *The Jerusalem Post* was told, with the teenagers staying at the homes of PFI members and dancing under PFI auspices on Shabbat in British churches.

A spokesman for the Board of Deputies of British Jews said yesterday that PFI had organized the tour to "gain credibility for their missionary activities." He charged that the Israeli co-organizers had been duped, and said that a protest letter had been sent to Herzliya Mayor Eli Landau in advance of the visit to warn him of the nature of PFI's proselytizing activities.

Sam Lewis on Pollard: The big chill will go on

By TOM TUGEND
Jerusalem Post Correspondent

LOS ANGELES. – The fallout from the Pollard spy case has thrown into sharp relief the profound differences between American Jews and Israelis, according to Samuel Lewis, who served as the U.S. ambassador to Israel from 1977 to 1985.

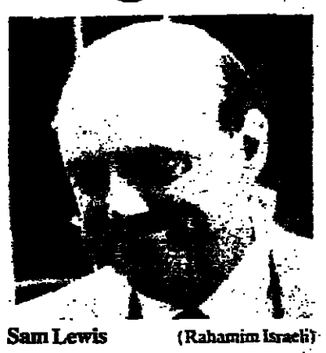
The two communities have a "different mindset, different historical values, and view the world through entirely different prisms," Lewis noted during a joint press conference on Tuesday with Economics Minister Gad Ya'acobi.

Both men spoke before an audience of 2,000 as part of a B'nai B'rith lecture series on "The United States and Israel: Two Nations, One Destiny." The topic of the evening's long-planned programme was "The Challenge of Diplomacy in the Middle East," but a considerable part of the formal speeches and audience questions addressed the Pollard case.

During the earlier press conference, Lewis took a critical stance towards an article in *The Jerusalem Post* by Hebrew University Prof. Shlomo Avineri, but felt that his sentiments "expressed a widespread point of view toward American Jewry among Israelis." Avineri had scored the reaction of American Jews to the Pollard case as indicative of their basic insecurity and *galut* (Exile) mentality.

Referring to the same point, Ya'acobi defended the "full moral right" of American Jews to criticize and advise Israel and urged his countrymen to be less sensitive to criticism.

However, Ya'acobi emphasized that the Pollard affair would not have a lasting impact on U.S.-Israel economic, diplomatic and military relations. He predicted that the strains between the two countries would disappear within three to four months.



Sam Lewis (Rahamim Israeli)

Lewis was less sanguine. While on the surface the effects of the Pollard case will gradually fade away, there will be an "imperceptible cooling, a more formal distance between officials of the two countries," for a long time to come, he said.

It was fortunate that the affair took place during the strongly pro-Israel administration of President Reagan, Secretary of State Shultz and former CIA director Casey, Lewis noted. "If this had happened on someone else's watch, the immediate impact would have been much greater," the former ambassador said.

Lewis warned during the press conference that "if the suspicion of the U.S. Justice Department are correct" and other Israel spies were found to be operating in the U.S. relations would become much worse.

A few minutes after speaking to 2,000 people Tuesday evening, Ya'acobi was notified that his mother had died in Israel.

He cancelled the rest of his plans for the scheduled six-day visit and was to catch an El AL plane for Israel yesterday.

TODAY'S ENTERTAINMENT

TELEVISION

EDUCATIONAL TV
8.00 Teletext 8.03 Keep Fit 8.15 School Broadcasts 14.00 Teletext 14.03 Keep Fit 14.15 Family Problems (repeat)15.00 Tau Tau 15.25 Rehov Sumsum 16.00 Keep Fit 16.10 Mrs. Pepperpot – animated film 16.30 The Demjanjuk Trial 17.00 A New Evening – live magazine

ISRAEL TV
CHILDREN'S PROGRAMMES
17.30 Children's Problems 18.00 The Campbells 18.25 A look at Ekron
ARABIC-LANGUAGE PROGRAMMES
18.30 News roundup 18.32 TV Magazine 19.00 Meeting – current affairs 19.30 News
HEBREW PROGRAMMES resume at
20.00 with Mabat Newsreel
20.30 Basketball – live broadcast from Lausanne of the European Cup final between Maccabi Tel Aviv and Tracer Milano
22.10 Sword of Gideon. Part 2 of a 3-part Canadian French drama, based on George Jonas's bestseller about the *Mossad*. Starring Michael York, Colleen Dewhurst and Rod Steiger
23.15 Gallery – arts magazine
23.55 *Language Corner. Introduced by Avshalom Kor, and* News

JORDAN TV (unofficial):
17.30 Cartoons 18.00 French Hour 19.30 News in Hebrew 20.00 News in Arabic 20.30 Paul Daniel's World of Magic 21.10 Remington Steele 22.00 News in English 22.20 Feature film

MIDDLE EAST TV
13.30 Another Life 14.00 700 Club 14.30 Shape-Up 15.00 Afternoon Movie: New Mexico 16.30 Muppet Babies 17.00 Flying House 17.30 Muppets 18.00 The Jeffersons 18.30 Doc 19.00 News 20.00 Hardcastle & McCormick 21.00 Facts of Life 21.30 Newhart 22.00 Moonlighting 23.00 700 Club

RADIO

VOICE OF MUSIC
6.02 Morning Melodies 7.09 Weber: "Orianta" Overture; Schubert: Impromptu; Rossini: Introduction, Theme and Variations for Clarinet and Orchestra; Respighi: "The Birds," suite; Ravel: "Jeux d'eau"; Liszt: Les Preludes 9.00 Schumann: Overture, Scherzo and Finale Op.52; Beethoven: Quintet for Piano and Wind Instruments; Schubert: Symphony No.9, "Great"; Debussy: La Mer; Ravel: Piano Concerto for the Left Hand; Stravinsky: "Firebird" 12.00 Bach: Sonata No.3 for Flute and Harpsichord; Brahms: 4 Songs 13.05 Haydn: Symphony No.75 (Hungarica/Dorati); Weber: Piano Concerto No.2; Beethoven: Symphony No.3, "Eroica" (Philharmonia/Klemperer) 15.00 Encounters 16.00 Israel Flute Quartet – Works by Jacob, Mozart, Russell, Gluck, Amzaleg and Pleyel 17.30 Mozart: Symphony No.5, Duo for Violin and Viola K.424 18.00 Music Anthology 19.00 Light Classical Music 20.05 *Musical Medley* 20.30 *Jerusalem Symphony Orchestra* under Charles Groves with Yosef Klichstein, piano – Tippett: Suite in A major; Mozart: Piano Concerto No.27; Elgar: Symphony No.1; Brahms: Rhapsody Op.79 No.1 22.30 "From Jazz on" 23.00 "Otello – Alive" – Verdi: First Act and First Part of Second act

RADIO 1st
6.03 Programmes for Olim 7.30 Programme in Easy Hebrew 8.05 Compass – with Benny Hendel 8.27 The Demjanjuk Trial – live broadcast 14.30 Children's programmes 15.30 Education for all 16.05 Books are Friends 17.00 News in English 17.30 News in French 18.06 Jewish Traditions 18.50 Bible Reading 19.05 Lesson in *Tanie* 19.30 Programmes for Olim 22.05 I Have a Dream

RADIO 2nd
6.12 Gymnastics 6.30 Editorial Review 6.53 Green Light – drivers' corner 7.00 This Morning – news magazine 8.05 Making an Issue 9.05 House Call – with Rivka Michaeli 10.05 All Shades of the Network – morning magazine 11.30 Safe Journey 12.10 O.K. on Two 13.00 *Midday – news commentary,* music 14.06 Culture and Arts Magazine 14.30 Humour 15.05 Magic Moments 16.05 Songs and Homework 17.05 Economics Magazine 18.06 Spotlight 18.45 Today in Sport 19.05 Today – radio newsreel 19.35 This Week in the Knesset 20.10 Hebrew songs 20.30 Basketball – live broadcast from Lausanne of the European Cup Final between Maccabi Tel Aviv and Tracer Milano 22.30 *Another Place* 23.05 *Between Ourselves*

ARMY
6.05 University on the Air 6.30 Open Your Eyes – songs, information 7.07 "707" – with Alex Ansky 8.00 Good Morning Israel 9.05 In the Morning – with Eli Yisraeli 10.05 Coffee Break 11.05 Right Now – with Yossi Abedi 13.05 Good Place in the Centre 15.05 What's Doing – with Erez Tal 16.05 Four in the Afternoon 17.00 Evening Newsreel 18.05 Economics Magazine 19.05 Hebrew songs 20.05 Army and Defence Magazine (repeat) 21.00 Mabat – TV newsreel 21.30 University on the Air 22.05 Popular songs 23.05 The 24th Hour 00.05 Night Birds – songs, chat

ARMY TWO
19.05 Radio Radio – with Yoav Kutner 20.05 Information, regards and radio games for soldiers on duty 22.05 Popular songs 23.05 All That Jazz

DAILY ENGLISH BROADCASTS
ISRAEL RADIO
on 576 and 1458 kiloHertz
07.00-7.15 News and Press Review
13.00-13.30 News followed by:
SUNDAY – "This Land" travel magazine
MONDAY – "Mainstream" consumer and community affairs
TUESDAY – *"Israel Mosaic" weekly magazine*
WEDNESDAY – "With me in the studio" guest interview
THURSDAY – "Studio Three" arts magazine
FRIDAY – "Thank Goodness it's Friday"
SATURDAY – "Spotlight" people and issues in the news
17.00-17.05 News
20.00-20.15 News

CINEMA

JERUSALEM
Beit Agron: Das Dreimadert 4:30; Monty Python's Yellowbeard 6:15; Best Little Whorehouse in Texas 7:45; The Omen 10; Rumble Fish 12 midnight; **Cinematheque:** Reuben' Reuben 7; His Girl Friday 9:30 (small hall); La Vie est un Roman 9:30; Apocalypse Now 12 midnight; **Edan:** The Big Gag (Candid Camera) 4:30, 7, 9; **Edison:** Ninja, Dragon Fire 4:30, 7, 9; **Habira:** Orion's Belt 7:15, 9:15; **Israel Museum:** Lost in America 7:30, 9:15; **Jerusalem Theatre:** Summer 6:45, 9:15; **Kfir:** Platoon 4:30, 7, 9:15; **Mitchell:** A Room With a View 7, 9:15; **Orgil:** The Color of Money 4:15, 6:45, 9:15 **Orion Or 1:** Crocodile Dundee 4:30, 7:15, 9; **Orion Or 3:** Jumpin' Jack Flash 4:30, 7, 9; Woman in Red 11:30 p.m.; **Orion Or 4:** Violets are Blue 4:30, 7:15, 9:15; To Be or Not to Be 11:30 p.m.; **Orion Or 5:** Hot Target 4:30, 7:15, 9:15; **Orna:** Letti Selvaggi 4:30, 7, 9; **Ron:** The Morning After 4:30, 7, 9; **Semadar:** Hannah and Her Sisters 7, 9:15.

TEL AVIV
Beit Liessin: Purple Rose of Cairo 11:15 p.m.; **Ben-Yehuda:** The Big Gag (Candid Camera) 5, 7:15, 9:30; **Chen 1:** The Color of Money 4:45, 7:15, 9:45; **Chen 2:** Joshua Then and Now 7:25, 9:45; **Chen 3:** Soul Man 5, 7:35, 9:45; **Chen 4:** Malcolm 11, 2:35, 5, 7:30, 9:45; **Chen 5:** Ruthless People, 11, 2, 5, 7:30, 9:45; **Cinema One:** Firewalker 5, 7:15, 9:30; **Cinema Two:** Hannah and Her Sisters 4:30, 7:15, 9:30; **Dekel:** Crocodile Dundee 7:15, 9:30; **Dizengoff 1:** Decline of the American Empire 11, 1:30, 4:45, 7:15, 9:40; **Dizengoff 2:** Mona Lisa 11, 1:30, 4:45, 7:15, 9:40; **Dizengoff 3:** A Room With a View 11, 1:30; 4:45, 7:15, 9:40; **Drive-in:** The Big Gag (Candid Camera) 7:15, 9:30; Sex film 12 midnight; **Esther:** Off Beat 5, 7:15, 9:30; **Gat:** Little Shop of Horrors 5, 7:15, 9:40; **Hakolnoa ZOA House:** Smooth Talk 4:30, 7:15, 9:30 (exc. Wed.); **Hod:** Heavenly Kid 5, 7:15, 9:30; **Lev 1:** Tenue de Soiree 2, 5, 7:50, 9:50; **Lev 2:** Summer 2, 5, 7:40, 9:40; **Lev 3:** Choose Me 2, 5, 9:40; Orion's Belt 12 noon, 2; **Lev 4:** Mosquito Coast 2, 5, 7:15, 9:40; **Limor Hamehudash:** The Morning After 4:30, 7:30, 9:30; **Maxim:** Ninja, Killer Invisible 4:30, 7:30, 9:30; **New Gordon:** Aliens 4:30, 7, 9:30; **Orly:** closed for renovations; **Paris:** Betty Blue, 37 Degrees in the Morning 11:45, 2, 4:15, 7, 9:30 (adults only); **Peer:** No Mercy 4:30, 7:15, 9:30; **Shahaf:** Platoon 4:15, 7, 9:30; **Sivan:** Everything You Wanted to Know About Sex 5, 7:30, 9:40; Big Eyes 12 midnight; **Tamuz Hamehudash:** My Third Problem 7:30; Save the Lifeguard 12 midnight; **Tchelet:** Round Midnight 4:30, 7, 9:35; **Tel Aviv:** Naked Cage 5, 7:15, 9:30; **Tel Aviv Museum:** Shoah (I) at 1; True Stories 7:30, 9:30; **Zafon:** Reopening soon with "The Name of the Rose"

HAIFA
Amphitheatre: Enemy Mine 4:30, 7, 9:15; **Armon:** No Mercy 4:30, 6:45, 9; **Atzmon 1:** The Big Gag (Candid Camera) 4:30, 7, 9:15; **Atzmon 2:** St. Elmo's Fire 4:45, 7:15, 9:30; **Chen Hamehudash:** Blue Velvet 4:30, 6:45, 9:15; **Keren Or Hamehudash:** Tangos 4:30, 6:45, 9:15; Monty Python: Life of Brian 11:30 p.m.; **Orah:** Platoon 4, 6:30, 9; **Orly:** Malcolm 7, 9:15; **Peer:** Crocodile Dundee 4:30, 7, 9:15; **Rav-Gat 1:** The Color of Money 4:15, 6:45, 9:15; Bambi (Sun., Mon. only) 10:30 a.m.; **Rav-Gat 2:** Soul Man 4:30, 7, 9:15; **Ron:** Naked Cage 4:30, 6:45, 9; **Shavit:** 9½ Weeks 7, 9:15.

RAMAT GAN
Armon: *Super Grass 7:15, 9:30;* **Lily:** Platoon 7:15, 9:30; **Oasis:** The Color of Money 4:30, 7, 9:40; **Ordan:** The Big Gag (Candid Camera) 4:30, 7:15, 9:30; **Rav-Gan 1:** Soul Man 5, 7:30, 9:45; **Rav-Gan 2:** Jumpin' Jack Flash 5, 7:25, 9:45; **Rav-Gan 3:** Off Beat 5, 7:20; **Rav Gan 4:** Joshua Then and Now 7:10, 9:40.

HERZLIYA
Dan Accadia: Maccabi T.A. vs. Tracer Milano, TV broadcast 8:30; **Daniel Hotel:** A Breed Apart 7:15, 9:30 (exc. Wed.); **David:** The Big Gag (Candid Camera) 4:30, 7:15, 9:30; **Hechal:** Killer Ninja 5, 7:15, 9:30; **New Tiferet:** The Fly 7:15, 9:15.

HOLON
Armon Hamehudash: No Mercy 7:15, 9:30; La Traviata 4:30; American Werewolf in London 11:30 p.m.; **Migdal:** The Color of Money 7:15, 9:40; **Savoy:** Platoon 4:30, 7, 9:30.

BAT YAM
Atzmaut: Highlander 5, 7:15, 9:30.
GIVATAYIM
Hadar: *Naked Cage 5, 7:15, 9:30.*

RAMAT HASHARON
Kochav: Alice in Wonderland 4; Heartbreak Ridge 7; About Last Night 9:30.

PETAH TIKVA
G.G. Hechal 1: Platoon 4:15, 7, 9:30; **G.G. Hechal 2:** Naked Cage 5, 7:15, 9:30; **G.G. Hechal 3:** The Fly 5, 7:15, 9:30.

RISHON LEZION
G.G. Ron 1: Crocodile Dundee 7:15, 9:30; **G.G. Ron 2:** The Big Gag (Candid Camera) 4:30, 7:15, 9:30.

WHAT'S ON

Notices in this feature are charged at NIS 8.85 per line including VAT. Insertion every day of the month costs NIS 177.10 per line, including VAT, per month.

JERUSALEM

Museums
ISRAEL MUSEUM. Exhibitions: Honore Daumier, Armand Hammer Collections ◊ News in Antiquities 87 ◊ Unveiling Pissaro, exhibit of Museum's restoration process ◊ Ancient Masks and Rattles, special Purim and general exhibit, from Neolithic to Roman period (Rockefeller) ◊ Felix Nussbaum (1904-1944), artist who perished in Holocaust ◊ "From Dudu to 3D", Meet an Israeli Artist, David Gerstein ◊ Artists Quoting Artists ◊ Tamara Rickman: The Bewitched Shore, tempera and lacquer paintings of Givat Aliya-Jaffa ◊ Yehezkel Streichman, comprehensive show of oils, 1940's to present ◊ New York Now: 6 new-generation New York artists, representing East Village galleries trends ◊ Animals in Ancient Art (Rockefeller) ◊ Ancient Glass ◊ Illustrations in Modelling Clay, book illustrating by Rony Oren ◊ Islamic Art (Paley Centre, opp. Rockefeller) ◊ Permanent exhibitions of Archeology, Judaica and Ethnic Art.

VISITING HOURS: Main Museum 10-5. At 11: Guided tour of Museum in English. 3: Guided tour of Judaica and Heritage galleries. 7:30 and 9:15: Film, "Lost in America".

L.A. MAYER MUSEUM FOR ISLAMIC ART. Visiting hours: Sun.-Thurs. 10-1; 3:30-6. Fri. closed. Sat. and holiday eves 10-1, 2 Hapalmach St., Tel. 02-661291/2. Bus No. 15.

Conducted Tours
HADASSAH – Hourly tours of the Chagall Windows at Kiryat Hadassah on the half hour. ◊ Information, reservations: 02-416333, 02-446271.

HEBREW UNIVERSITY
English tours daily Sunday through Thursday: 1. Mount Scopus, 11 a.m. from the Bronfman Reception Centre, Administration Building. Buses 9, 28, 4a, 28 & 23 to the first underground stop. 2. Givat Ram Campus, 9 & 11 a.m. from the Sherman Building. Buses 9, 28, & 24. Tel. 882819.

AMIT WOMEN (formerly American Mizrachi Women). Free Morning Tours – 8 Alkalai Street, Jerusalem. Tel. 02-699222.

TEL AVIV

Museums
TEL AVIV MUSEUM. New Exhibitions: Alexander Archipenko, A Centennial Tribute, 50 sculptures, sculpto-paintings and drawings. **Continuing Exhibitions:** ◊ Oskar Kokoschka, 1886-1980. Selection of Prints and Albums ◊ Trends in Geometric *Abstract Art ◊ Edvard Munch, prints:* Death, Love and Anxiety. Special Exhibit: Erich Mendelson Centenary. Drawing from 1920's and 1930's. VISITING HOURS: Sun.-Thur. 10-2, 5-9. Sat. 11-2, 7-10; Fri. closed. **Helena Rubinstein Pavilion: New Exhibition:** Gilberto Zorio of Arte Povera *Movement in Italy (opens 31.3 at 8 p.m.).* **Visiting Hours:** Sun.-Thur. 10-2; 5-9. Sat. 11-2; 7-10. Fri. closed.

Conducted Tours
AMIT WOMEN (formerly American Mizrachi Women). Free Morning Tours – Tel Aviv, Tel. 220187, 233154.
WIZO. To visit our projects call Tel Aviv, 232939; Jerusalem, 226060; Haifa, 398817.
ORT. To visit our technological high schools call Jerusalem 533141; Tel Aviv 396171, 233231, 240529; Netanya 33744.
PIONEER WOMEN – NA'AMAT. Morning tours. Tel Aviv, 210791. Jerusalem 244879.
HADASSAH VISITORS DEPT. Astor Hotel, Room 01. 105 Hayarkon St., Tel. 03-223141.

HAIFA

Museums
HAIFA MUSEUM, 26 Shabtai Levy St. Tel. 04-523255. Exhibitions: **Modern Art:** Facing the Mirror – The Israeli Caricature, Now. **Ancient Art** – Coins of Akko in Ancient Times. **Music & Ethnology:** world paper cuts. Open: Sun.-Thur. & Sat. 10-1; Tue., Thur. & Sat. also 6-8. **Ticket also admits to National Maritime and Prehistoric Museums.**
WHAT'S ON IN HAIFA, dial 04-640640.



The merits of the case



Sraya Shapiro

DON'T WRITE off American aliya. Just let it take its natural course. An American-born Jew expects to decide the merits of the case for himself. Nudging, even by well-meaning *shlihim*, will only get his back up.

"A merchant eager to sell his wares conducts market research to learn what his prospective customer needs. The Zionists come with preconceived ideas and offer a solution to non-existent problems. No wonder the response is so scant!" Joseph M. Hochstein, former owner-editor of Washington's *The Jewish Week*, decided to come on aliya in 1973, while covering the Yom Kippur war for his paper. It took him ten years to make the move.

He was born in New York, in an area "where there are more Jews per square inch than in Tel Aviv. So I never felt different from other people." The change came when the family moved to New Jersey. "We felt no anti-Semitism, but we were obviously different from the overwhelming majority of our neighbours. For one thing, we went to synagogue, not to church."

He pursued a career in journalism, and was working for the Congressional Record in 1967 when he was approached by an Israeli paper to contribute a weekly column. "But my boss at the Record objected." Hochstein headed *The Jewish Week* for twelve years.

THE EUROPEANS, more particularly those with East-European traditions, seem to be signally unaware about the American scene. An American Jew is generally an immigrant, or the son or grandson of an immigrant, who struggled against innumerable odds to achieve a relative stability which he consciously appreciates.

"Life is rather pleasant in America once you've got into stride and are willing to work hard." And it's easy to be Jewish in America today. "The majority of Jews who care to affiliate with an organization are Conservative; and you know that life may not be as simple for Conservatives in Israel," Hochstein smiles benevolently. A generation or two ago, Jews tended to change their names to advance more easily. "Not today." Writers describe their childhood; doctors never dream of concealing their parentage. To leave all this, one has to be motivated by something very potent.

By what, then?

Not unexpectedly, Hochstein's answer is indefinite. He speaks of the search for roots, of family links of Israel as a Jewish cultural centre radiating its message to the Diaspora. Something of the picture envisioned by Ahad Ha'am. But Hochstein also speaks of the urge to live here and participate in the process. Not to wait until Israel straightens out and streamlines its bureaucracy – but to help produce the change.



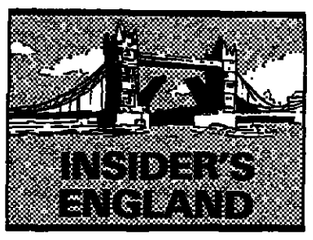
Joseph Hochstein: Zionists offer U.S. Jews 'a solution to non-existent problems.' (Shapiro)

"MY ELDER son, Mark also realised this, quite independently of myself. He came here long before we did, and enlisted in the army. Two years ago he was wounded, and died shortly afterwards." Probably the last victim of the Lebanon war.

Hochstein is nevertheless determined to pursue his goal. He has to say something about red tape – he served on a Congressional Record committee which studied the matter and drew up recommendations. He also advised a Canadian body on the subject. But what baffles him is the young Israeli's apathy. "The Israelis seem not to believe in themselves. They show no enthusiasm for working towards the good of their country." Who, he wonders, can do that for them? New immigrants?

Perhaps he is wrong. He may be reading the Knesset mud-slinging too closely. There must still be another Israel. One which the Knesset disputants ignore.

A new group of boat people



David Horovitz

LABOUR'S shadow home secretary, Gerald Kaufman, has called it as bad as the curbs in the 1930s on Jews fleeing the Nazis, but Home Secretary Douglas Hurd is intent on pushing his Immigration Bill through parliament, including its provision for holding illegal immigrants in detention on a vessel offshore. During a heated debate on the bill in the House of Commons, Hurd explained that more than 800 people had arrived in Britain in the past three months to claim asylum – almost twice the number as for the whole of 1984. To stem this flood, Hurd is proposing that airlines be fined £1,000 for each passenger they fly to Britain without valid documents.

"If we turn a blind eye to the abuse of asylum procedures and to unregulated and disorganized arrival in this country; we provide a ready market for the racketeer," said Hurd.

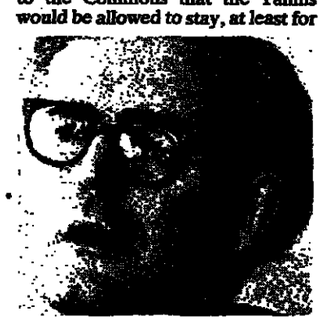
But his proposed legislation has given rise to a storm of anger among opposition MPs and associations representing immigrant groups, particularly Sri Lankan Tamil refugees.

Kaufman accused Hurd of playing the "race card" in the run-up to a general election, suggesting that the home secretary was trying to gain votes by clamping down on immigrants.

"This bill," he said, "is not about keeping out a few bedraggled victims of racketeers... but about having a shoddy little debate in which racism can be stirred up in the hope of winning a few votes."

The bill was apparently spurred by the arrival in the United Kingdom last month, without visas, of a group of 64 Tamils claiming refugee status. The Home Office attempted to deport them straight away, but the Tamils staged a demonstration at the airport, stripping down to their underpants and refusing to board their plane. Naturally, this protest attracted the attention of the news media, and the Home Office's hopes of quietly sending the Tamils back were dashed.

In a rather embarrassing *volte face*, Hurd was forced to announce to the Commons that the Tamils would be allowed to stay, at least for the time being, while their individual claims to refugee status were examined by the courts.



Home Secretary Douglas Hurd: accused of promoting racist measures. (IPPA)

Evidently the incident prompted Hurd to take steps to change the immigration regulations, and for all the opposition protest, the bill passed its second reading. It is unlikely to be significantly amended.

WHEN THE BILL was first proposed, Labour objected to it on the grounds that even the likes of Natan Sharansky would be turned away from Britain under the new provisions. They urged Hurd to provide for an independent right of appeal for those whose claims to asylum had been rejected. But Hurd has dismissed even this idea, asserting that "over 28,000 people were refused at our ports last year, and it would take only a small proportion of these to claim asylum to overwhelm any appeals system."

While many people appreciate, at least to some extent, the need for tightened immigration procedures, there has been near-unanimous criticism of a plan, still under consideration, to turn a disused cross-Channel ferry into a temporary home for those waiting to hear the results of their immigration applications or waiting for deportation after being refused entry.

Hurd is to decide in the next two months whether to convert the decommissioned Sealink "roll-on roll-off" ferry Earl William into accommodation for hundreds of would-be immigrants. The home secretary has stated that there is insufficient detention accommodation; and that the government is already being criticized for holding people in prisons or hotels.

But Labour MP Max Madden has described the scheme as "a plan for a mobile prison," where conditions would be intolerable and detainees would have to be kept below decks most of the time for reasons of safety.

Madden bases this assessment on the Zeebrugge ferry disaster, involving an identical type of ship, which sank so rapidly because of the considerable weight it was carrying above sea-level.

Whatever the merits of Hurd's "refugee ship" idea, it was his lack of sensitivity in raising it just days after the ferry disaster that fuelled the intense opposition and the charges of callousness he is now having to face.

MUSIC REVIEWS

Tel Aviv debut

JERUSALEM CHAMBER ORCHESTRA – Gerald Wilgowicz conducting with Philip Bride, violinist and Gérard Causse, violist (Tzavta, Tel Aviv, March 31). Pachelbel: Suite in G Major; Mozart: Sinfonia Concertante in E flat Major for violin, viola and orchestra; Jacoby: Little Suite; Haydn: Symphony No.59 in A Major "The Fire."

THE RECENTLY established Jerusalem chamber Orchestra showed that it meant business in its Tel Aviv debut. Though the Tzavta is not an ideal place to show the true capabilities and potential of an orchestra, that small hall nevertheless allowed the orchestra to demonstrate that it is already a well integrated body of musicians with an unmistakable identity.

An able and imaginative conductor, Wilgowicz elicited not only accurate intonation from the strings, flowing performances rich in tone, but also varied shades of dynamics and expression. All four works performed had a marked interpretative profile. In other words, Wilgowicz's direction drew immediate and eager responses.

The Pachelbel suite, though perhaps too romantic in conception and played with too much vibrato, created a rich and inviting sonority. Hanoch Jacobo's Little Suite presented clearly defined polyphonic lines, while the Haydn Symphony was ushered in vivaciously and played with remarkable elegance and joyfulness.

The highlight of the evening, however, was Gérard Causse's rendition of the viola part in Mozart's Sinfonia Concertante. Causse is a remarkable artist, a poet in the true sense of the word, and he gave us a truly intrinsic account of one of Mozart's most touching pieces of music. What a pity that his partner, violinist Philip Bride, played with so much aggressiveness and complete lack of lyricism and expressiveness.

In summation, the orchestra showed a most promising beginning which could, with hard work, contribute an additional dimension to our musical life. *BENJAMIN BAR-AM*

Solo time

EMANUEL Gruber, cellist. J.S. Bach: Suite No. 1 for cello solo; Ravel: Sonata for violin and cello (with Elizabeth Seltzman); Kodaly: Sonata Op. 8 for cello solo. (Tel Aviv Museum, March 31.)

ALTHOUGH he's mostly in the public eye these days as principal cellist with the Israel Chamber Orchestra and as a member of numerous chamber ensembles, Emanuel Gruber admirably finds time for solo work as well. A former student of Uzi Wiesel, Gregor Piatigorsky and Janos Starker, the cellist did not make things easy for himself – two of the recital's works focused exclusively on him and his instrument.

He proved up to the challenge. In fine form technically, he appeared entirely free of the body tensions which plague many cello players. Performing with compelling inner serenity, his interpretive approach bespoke intelligence and integrity.

Gruber trusts the music he plays, not tampering with the notes to make expressive points. This restraint served the red-blooded, extrovert Kodaly piece remarkably well. In the Bach suite, however, Gruber came close to shirking interpretive initiative which made the livelier dances, in particular, rather less vivid than intended.

In full artistic harmony, Gruber and Saltzman accorded the demanding Ravel a meticulous and well-balanced rendition.

The encore, "Sarabande" from the Bach C minor suite, concluded the evening on a noble note.

ELI KAREV

A visit to the museum is educational. But kids enjoy it anyway.

BASKETBALL

Lausanne mad about the game

By DAVID HOROWITZ
Jerusalem Post Correspondent

LAUSANNE. – Maccabi Tel Aviv have been in the highest of spirits since they arrived in this basketball-mad city on Tuesday afternoon. Never before have the Swiss taken such interest in a European Cup game, which is being telecast live over 15 stations in Europe.

Trains are bringing thousands of Italians from Milan. Some 3,000 Israelis have come by air. Also present tonight will be President Chaim Herzog. Tickets are selling on the black market for 600 francs ($400).

The official allocation is 2,500 places to Israelis, 2,500 to Italians and 5,000 to Swiss.

Conditions inside the arena are likely to be chaotic – although the official accommodation is 10,000, there are only 3,000 seats and 7,000 fans will have to stand. One official jested, "It's going to be so cold that they should warm each other by standing pressed together."

The reason why the spectators will feel so cold is that the hall is a multi-purpose one – and one of its usages is as an ice rink. A parquet floor was laid down on the ice and, after testing it, Maccabi declared that it is very slow, which will probably affect the speed of the play.

Dan Peterson, the Tracer coach, was full of compliments for Maccabi yesterday. He said that he was frightened Mickey Berkowitz would play the game of his life, because of his defiant mood. He considers Lee Johnson and Kevin Magee to be great players, and Maccabi to be a great team.

What exactly is going through his mind is anybody's guess. He has one headache – Dino Meneghin's leg – but is confident that Meneghin will play, and will perform brilliantly.

Tonight's game is to be watched by Swiss President Pierre Aubert, Olympic Committee President Antonio Samaronch (SP?), and French soccer star Michel Platini, among others.

Security will be tight, with both Swiss and Israeli security officers in operation.

Maccabi's talent vs Tracer's tactics

By DON GOULD
Post Basketball Reporter

The first time was in 1977. The second, four years later. Two other tries failed. Tonight, Israeli basketball champions Maccabi Tel Aviv take on their Italian counterparts Tracer Milano as they try once more for that most coveted of European basketball trophies, the European Champions Cup.

Veterans Mickey Berkowitz and Motti Aroesti have been there before. They are all that is left from the glorious Maccabi squad who brought the Cup to Israel 10 years ago. But for them, the glamour and excitement are still there. As each has approached the twilight of his career, nothing has become more important than what may be the last chance to bring home the Cup awarded the best team in Europe.

The match itself has all the elements of a classic match-up. The most unusual aspect of tonight's encounter is that Maccabi and Tracer, in their two meetings so far this season, have managed to blow the others off their own home court. Maccabi took an uncharacteristic thrashing 97-79 last December at Yad Eliyahu, but then came back to humiliate Tracer in Milan 94-79 in February.

On a neutral court, and with all the chips on the table, it can be expected that neither team will let the other build up too much of a lead.

While Maccabi are worried about the swollen heel of superstar Kevin Magee, Tracer have their own concern about the injured leg of veteran all-star Dino Meneghin. Both are expected to play.

Unlike Maccabi coach Zvi Sherf, Dan Peterson of Tracer Milano prefers to go deep into his bench and keep shuffling players in and out. The idea is to wear out the opposition. The tactic works only when you have a bench deep in talent. Peterson in some ways has been forced into this tactic because three of his ace players have gone over the 30-year mark and can't really go the whole 40 minutes. Mike D'Antonio, for many years the premier point-guard in all of Europe, now has to limit his playing time. Meneghin, already in his 30's, doesn't try to exceed more than 20 minutes a game.

Former NBA all-star Bob Macadoo, at 36, needs several breaks during the course of every game. But even with limited playing time, Macadoo has managed better than 23 points per game.

The more consistent concern for Maccabi will come from Tracer's other American, Ken Barlow, who is trying desperately to succeed and therefore work his way back to the NBA. Barlow doesn't usually pour in a lot of points, but is capable of being a dangerous scoring threat. He works the boards well and is a centre piece for coach Peterson's ever-changing defences.

The man who burned Maccabi so badly at Yad Elyahu was shooting guard Roberto Premier. Much like Maccabi's own Doron Jamchee, once Premier finds the range, he's almost impossible to stop.

The difference tonight should be Maccabi's frontline of Magee and Johnson. Macadoo and Barlow, as good as they are, can't match up with them. The resurgence of Motti Aroesti could also be a key factor. Doron Jamchee has been playing the best basketball of his career and somehow Mickey Berkowitz still finds the way to be a factor in the big games.

Also in Maccabi's favour is that Howie Lassoff is playing consistently well. It must also be remembered that Greg Cornelius was the only player able to put the clamps on Bob Macadoo.

Maccabi won't outsmart Tracer, but with their talent they should overpower them. Prediction: Maccabi Tel Aviv 91, Tracer Milan 83. A third European Cup for Maccabi Tel Aviv.

TENNIS

Berger reaches the final

By ORI LEWIS

ARAD. – Ilana Berger is the only Israeli representative in the singles finals of either the men's and women's masters tournaments, which conclude the Frankel Satellite circuit for men and the Phillips circuit for the women. The women move to Haifa for a WTA $10,000 tournament. The men's circuit is over.

Berger started nervously against the French girl, Frederique Hugonnet, losing the first set 6-1.

Berger recovered her poise and concentration however and reeled off 12 straight games to take the match 1-6, 6-0, 6-0. Yael Segal, who pulled off the best win of her career on Tuesday, could find no answer to top-seeded Hester Witvoet's strong serve and volley game. The Dutch girl won easily 6-1, 6-1.

Both Witvoet and Berger will contest the doubles final, Berger will team up with Yael Shavit, and Witvoet will be partnered by her compatriot Titia Wilmink.

In the men's tournament in Kiryat Shmona, top seed Steve Kennedy of the U.S. beat Amit Naor of Israel to reach the finals. He will play fourth-seeded Delayne Howell of South Africa. The doubles will be contested between Fontana and Green from the U.S. against Bailey and Brice of Britain.

SOCCER

HAMBURG, (AFP) – Hamburg reached the West German cup final when they beat fellow-First-Division side Borussia Moenchengladbach 1-0 in their semi-final here.

In front of a 45,000 crowd, striker Manfrd Kastel hit the winner just five minutes from the end. Second Division kickers Stuttgart meet Fortuna Dusseldorf, struggling a place off the bottom in the First Division, in the other semi.

In England, Northampton became the first English side to win promotion this season when Peterborough were beaten 1-0 at Torquay.

The Cobblers are now assured of a place among the three clubs who automatically go up from the Fourth Division without needing a play-off.

NBA

PORTLAND, Oregon (AP). – A foul called against Isiah Thomas enabled Portland's Terry Porter to hit two free throws with two seconds left on Tuesday night, giving the Trail Blazers a 113-111 victory over the Pistons.

Thomas led Detroit with 26 points.

The loss dropped the Pistons to 1½ games behind title Atlanta in the Central Division, the NBA's only close division race. Boston and the Los Angeles Lakers already have clinched division titles and Dallas have an 8½ game margin in the midwest.

Elsewhere, it was the 76ers 116, Cavaliers 105; Knicks 128, Celtics 120; Bulls 101, Capitols 75; Mavericks 118, Clippers 102; Nuggets 111, Spurs 106; Jazz 110, Suns 95; Lakers 111, Rockets 96; Supersonics 132, Kings 129.

SPORTOTO

Since there was not even a single erudite punter who managed to forecast all 14 matches correctly last weekend, a bumper pay-out is on offer this week with a top prize totalling at least NIS 1.5 million.

FORECAST

	Single Line	Permutation
1. Mac. Netanya v Mac. Yavne	1	1
2. Mac. TA v Hap. PT	1	1
3. Hap. TA v Mac. PT	1	1
4. Hap. K. Sava v Bnei Yehuda	X	1X
5. Hap. Beersheba v Mac. Haifa	2	2X
6. Mac. Jaffa v Bet. J'lem	2	2X
7. Hap. Lod v Shimshon TA	X	X
8. Hakoach v Bet. Nahariya	1	1
9. Mac. R. Amidar v Bet. Ramle	1	1X
10. Hap. J'lem v Hap. Marmorek	1	1
11. Hap. Haifa v Hap. Dimona	1	1
12. Hap. Tiberias v Hap. Beit Shean	1	1
13. Mac. Sha'anayim v Hap. RG	X	1X
14. Hap. Holon v Hap. Hadera	X	X

COMMENT

True national unity

Nothing unites Israel as effectively as Maccabi Tel Aviv's basketball squad playing in a final of the European Cup. Sportsmen and non-sportsmen; fans of Maccabi, Hapoel, Betar and Elitzur; from every political, ethnic and religious affiliation – all are at one in their conviction that the nation's prestige is on the line.

Nobody considers tonight's game merely a club tournament and not a national championship. One eloquent columnist described Kevin Magee's suspect heel as "the heel of the nation."

In few other countries is there such total identification with a club side. In soccer, for instance, Englishmen do not equate Liverpool or Manchester United with England.

Cynics may point out that this reaction is somewhat irrational, considering that the two men who literally carry the hopes of Israel in their hands – Magee and Lee Johnson – are not Israelis but hired American professionals. They alone, of course, cannot win the game, but they are the two outstanding stars in the Maccabi line-up. If they strike top form, Maccabi can beat anyone in Europe, including tonight's opponents, Tracer Milan. If either of them should be merely mediocre, however, Maccabi will almost certainly fail to take the Cup.

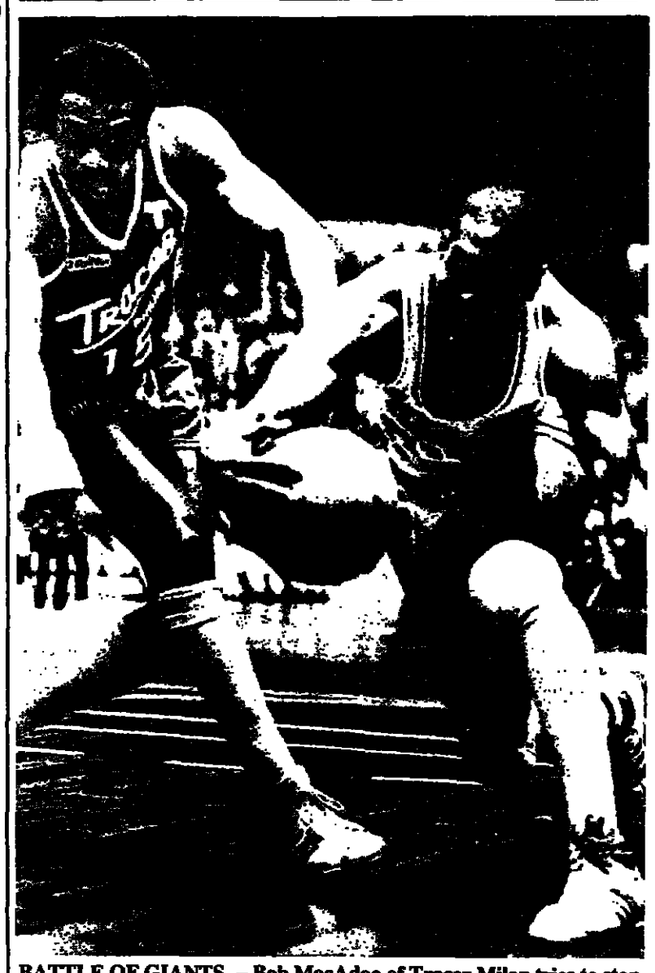
But it must be stressed that Tracer are in exactly the same position: Milan's prospects depends on their two hired professionals, Bob McAdoo and Ken Barlow. The battle for mastery between the four fine players, irrespective of who is successful, is likely to provide an absorbing spectacle tonight for 3,000 Israelis in the arena at Lausanne, and for millions glued to their television sets throughout the country.

Appearing on television on Monday night, Maccabi manager Shmuel Macharovsky defended the system of hiring two professionals for each team in Israel by pointing out that otherwise Israel could not compete in Europe with any hope of success, since all the Eastern European countries use such mercenaries.

He is right: there is really no alternative. That being the case, we are lucky that Maccabi's two professionals should be not only superlative players, they are also admirable sportsmen in every sense of that much-abused word.

Macharovsky went on to plead with the public to retain a sense of proportion if the team loses. He said that defeat would not be a national calamity, that it was "only sport."

In theory he is certainly right. In practice? Let us do the sporting thing, and wish that the better team wins – provided that the better team is Maccabi Tel Aviv.

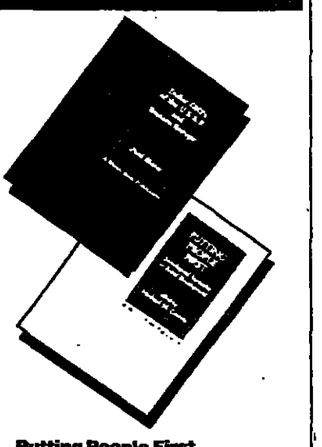


BATTLE OF GIANTS. – Bob MacAdoo of Tracer Milan tries to stop Kevin Magee of Maccabi Tel Aviv in their game in Tel Aviv. Tonight they will resume their duel in Lausanne.

WORLD BANK PUBLICATIONS

Dollar GNPs of the U.S.S.R. and Eastern Europe
Paul Marer
This book documents the findings of an important research project to assess alternative methods of computing the dollar GNPs and growth rates of centrally planned economies (CPEs). CPEs have not heretofore been adequately represented in international comparisons, especially in relation to dollar GNPs and growth rates, although these countries account for a significant share of the world's production.
Defines the best among known methods that can be applied to CPEs as a group and makes use of available data. Concludes that adequate GNP data in national currencies can be derived for most CPEs by adjusting official information known to country experts, identifies conversion rates based on purchasing-power parity information as the best method generally applicable to CPEs for converting such GNP data from local currencies to dollars.
Focuses on the U.S.S.R., Bulgaria, Cuba, Czechoslovakia, the German Democratic Republic, Hungary, Poland, and Romania. 256 pages.
NIS 51.20

Urban Transport
The unprecedented growth in demand for transport and increases in the costs of energy and construction have exacerbated urban transport problems in the past decade. Such changes have prompted a fresh look at urban transport and its effects on the economic efficiency of cities and the well-being of urban residents. This study sets out the current views of the World Bank on urban transport. 80 pages.
NIS 14.24



Putting People First Sociological Variables In Rural Development
edited by Michael M. Cernea
This book describes a culturally sensitive approach to the preparation, planning, and implementation of rural development projects. It places a strong emphasis on analyzing the social organization of rural populations and their modes of production in livestock projects, community forestry, irrigation and water users' associations, rural roads, fisheries, and agricultural settlements.
Examples from World Bank experience are provided and criticism of existing limitations in project preparation is combined with guidelines and practical answers on how to increase the attention paid to local people involved in rural development. 444 pages.
NIS 47.35

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Please allow 8 weeks for delivery; all prices include VAT.

Boycott boosts borrowing costs

Israeli efforts to raise money on world capital markets have been hindered by bankers' fears of being publicly connected with Israel

Israeli corporations, including banks, have until now been forced to pay interest of as much as 1.25-1.5 per cent over the Libor, the benchmark rate used for measuring the quality and standing of borrowers. A different Libor rate exists for each different time-span of borrowing.

An Israeli borrower obtaining funds at Libor plus 1.25 per cent per annum has been considered as having got "easy terms." This compares very badly even with countries whose economies are in far worse shape than Israel's. Recent reschedulings by South American countries that have effectively defaulted on their old loans, have seen terms imposed by international banking consortiums of Libor plus 0.875 per cent. Conversely, countries like Hungary and Portugal, whose economies are no stronger than Israel's, pay Libor plus 0.25 per cent for loans with maturities of up to eight years. Israel, which has a flawless payments record in foreign markets, nevertheless pays Libor plus 1.25 per cent or more and is usually unable to get funds for more than five years.

The reason for this state of affairs, which has no parallel with other countries, is that Israel has been unable to establish its credit standing openly in the markets. This is normally done through publicly-announced borrowings, managed by one or more leading banks with participation of many others. The deal itself will appear in the financial press as a formal announcement in a black-bordered box, known as a "tombstone."

The tombstone details which banks and financial institutions were involved in the facility and what terms the borrower obtained. These two factors determine the borrower's standing. The more lenders the borrower can attract, and the better-respected they are, the easier the borrower will find it to raise funds and the less it will have to pay for them.

How Leumi has begun to cut Israel's overseas borrowing cost – page 7

Israel's problem has been that no banks have been willing to have their names appear on Israeli tombstones. This has stemmed from purely *political/commercial considerations*, rather than from economic ones. Among oft-heard rationales for this reluctance have been the possible *effect on petrodollar deposits with* the bank in question or its affiliates; the likelihood of adverse reaction among customers with extensive *business interests in the Arab world*; and on the bank's own investments and operations in the Arab world.

It is widely believed, by Israelis and foreigners alike, that opposition to an Israeli tombstone will collapse as soon as a precedent is set and those named on it do not suffer any consequences. But so far no one has taken the plunge, although there was a very near miss last November. A formal tombstone announced an $18m. financing facility for the state-owned Israel Chemicals Ltd. The syndication was managed by Bankers Trust, one of the top names in U.S. banking, and Bankers' name in fact graced the tombstone.

This important breakthrough was marred, however, by the fact that the names of the other 10 banks involved did not appear, which was interpreted as indicating their unwillingness to be identified publicly with an Israeli issue. Nevertheless, the Bankers' Trust decision to go public was itself historic, and required courage on the part of that bank's management. Bankers' Trust is not known to have suffered any kind of backlash.

The Leumi deals described on Page 7 have not been tombstoned, but they have been widely discussed within the London market, and the participants in them are mostly known "within the trade." Marcel Stein, the Leumi official who was the principal official behind them, says the scale of these financings, and their novelty, will persuade other banks to participate in future deals and will produce, sooner or later, the much-sought-after tombstone.

That should finally bury the bogey of the Arab-oil-based ostracism of Israel in the financial markets.



They could be buying a Carmel carpet instead.

Israeli wares to be sold in Las Vegas

By SIMON LOUISSON
For the Jerusalem Post

TEL AVIV. – Visitors to Las Vegas, accustomed to dropping large sums of money will have an additional and more constructive outlet for spending.

An Israeli company, International Marketing Ltd, (IM), has teamed up with a large American company, Creck, to set up an international marketing centre for Israeli products in the city. The aim is to sell to 15 million visitors who come every year to the desert city, renowned for its gambling and its showgirls, draws two-thirds of them who come every year from outside the U.S., and together they spend some $3.75 billion outside of what is (on balance) lost in the casinos.

IM's managing director, Uri Ovnat, formerly with the advertising company Ovnat, Karnot, Shfrim and Narman, in Jerusalem yesterday said all 750 square metres in the Israeli pavillion had been let. An additional 20 per cent in floor space has been leased.

Among the firms taking space are Carmel Carpets, Beged Or, Lon Cosmetics, Gibor Sabrina, Or Jewellery, Arta Galleries and a number of kibbutz industries. No rent is charged but tenants pay fees equal to 10 per cent of turnover and participants must guarantee to hold at least $50,000 of stock per unit (60 square feet).

Ovnat said he expected at least 1.5 million visitors to the Israeli pavilion, but he could give no estimate of what the combined sales might be.

Alhough IM is a private organization, Ovnat has received support from the Export Institute, Manufacturers Association and the Industry and Trade Ministry.

THE TAX BURDEN/Jeff Broide

After the reform

After fairly prolonged labour pains, the Israeli mini-tax reform proposals have been approved by the cabinet and this week by the Knesset. The major feature of the "reform" is the proposed drop in the rates of income tax for individual and corporate taxpayers, as appears in the accompanying table.

For individual taxpayers these reduced rates became effective as of April 1. A 10 per cent tax surcharge is to be levied on individuals whose taxable income for the period from April 1 through December 31, 1987 exceeds NIS 66,600. However, the surcharge will not be levied on taxable income subject to a restricted tax rate, which would include such things as dividends.

In order to calculate tax liability, allowance must be made for the various income tax deductions and credits. The 20 and 30 per cent tax brakets are applicable only to income earned from personal exertion or immovable property. When income from the latter exceeds NIS 17,700, the lower tax brackets are reduced accordingly.

INDIVIDUAL RATES

Annual Income NIS	Rate of Income Tax %	Accumulated Income NIS	Accumulated Taxes Payable NIS
Up to 10,740	20	10,740	2,148
10,741 – 17,700	30	17,700	4,236
17,701 – 24,000	35	24,000	6,441
24,001 – 37,920	45	37,920	12,705
Thereafter	48		

For the 1987 tax year only, industrial companies will be subject to a reduced income tax rate of 3.75 per cent, instead of the 8⅓ per cent indicated in the accompanying table. Under the Law for the Encouragement of Capital Investments (1959, as amended), companies owning "approved enterprises," which were approved after April 1, 1986 may elect to forgo their rights to government grants under the law. Instead they would enjoy complete tax exemption for periods ranging from 10 to two years, depending on the development zone in which they are located. Dividends distributed from such profits will be taxed at regular rates.

The changes in capital gains tax will be effective as of the 1988 fiscal year and will apply similarly to the land appreciation tax (levied on capital gains from the realization of immovable property). The tax rate on the "real gain" portion is reduced to 45 per cent, the 10 per cent rate on the inflationary portion remains unchanged and maximum average tax on the gain has been removed, as it is no longer relevant.

CORPORATE RATES

	Regular %	Industrial %	Approved Enterprise %
1) Where profits not distributed:			
Company Tax	40	40	25
Income Tax	5 (1)	5 (1)	— (2)
Total	45	45	25
2) On distribution of profits:			
Company Tax	40	40	25
Income Tax (on dividends)	15 (3)	15 (3)	11.25 (4)
Total	55	55	36.25

Notes:
(1) 8⅓ per cent of taxable income less company tax. (2) No income tax is levied on undistributed profits of an "approved enterprise." (3) Income tax of 25 per cent is levied on dividend income; foreign shareholders will be taxable subject to the relevant double tax treaty. (4) Income tax of 15 per cent is levied on dividend income from an "approved enterprise."

The writer is a Certified Public Accountant (Israel). Questions may be addressed to him c/o The Jerusalem Post.

Naaman completes $3.5m. investment

By MIRIAM SHENKAR
For The Jerusalem Post

TEL AVIV. – The Naaman division of Koor Ceramics Ltd. has completed a $3.5 million investment programme, aimed at cutting production costs, and is looking for as much as another $7m. in outside funds for further improvements, Managing Director Carmel Levy told a press conference on Sunday, marking the company's 50th anniversary.

The three-year investment programme brought in new equipment, automation and worker training courses to Naaman's Emek Zequlon plant near Acre. The company is looking for an outside investor and/or for government assistance to expand its production facilities further, Levy said. Government assistance could take the form of changing the status of the plant's site from development Zone C to either B or A, which would automatically entitle it to grants and and subsidized loans.

Levy said 1986 sales reached $7.5m. and would grow to $10m. this year, although the company would not discuss profitability. Made-to-order porcelain for hotels, such as the Hilton and Sonesta chains, account for 40 per cent of Naaman's sales, while local retail chains such as *Danish Plus account for another 20* per cent.

Exports, which Levy estimated would come to just $700,000 this year, from $300,000 in 1986, are hindered by high production and financing costs. Athough Naaman is the only porcelain factory in Israel, local department store chains, such as the Shekem, import most of their porcelain from the Far East, South America and Eastern Europe because of the more competitive prices of imports. At a recent houseware fair in Germany, 25 Israeli buyers were present, Levy complained.

Levy said the recently completed investment programme would help improve Naaman's competitive position.

Established by Czechoslovakian immigrants and the Hashomer Hatzair Kibbutz Movement in 1937, Naaman first produced scorched red building bricks which were used during the "Wall and Tower" period of Jewish settlement. Following the *establishment of the state, Naaman* began to produce porcelain housewares and other products that can only be manufactured in high-temperature kilns. Koor Ltd. bought the concern in 1971.

U.S. to go after expatriate tax cheats

WASHINGTON (AP). – The U.S. Internal Revenue Service (IRS) announced a new effort to reduce what apparently is wholesale tax cheating among Americans living abroad.

The drive was prompted by a General Accounting Office (GAO) estimate that up to 61 per cent of the 1.8 million Americans living abroad, not including those in the military do not even file U.S. tax returns. This is costing the government as much as $2.3 billion a year. Additionally many people livng in the U.S fail to report income from foreign investments, the GAO found.

We owe it to the vast majority of honest taxpayers, in or out of the country, to ensure that everyone is paying their fair share of tax," Percy Woodard Jr., assistant IRS commissioner for international operations, told reporters.

Woodard acknowledged that tax laws were especially complex as they apply to Americans living abroad or *earning income from foreign investments*. As one part of the new compliance effort, the IRS is sending agents on a tour of 85 cities in 50 countries to help Americans with their tax questions. The agency has full-time offices in 14 foreign countries, the closest one to Israel being in Rome.

Starting next year, the agency will also have new information to use *against* those non-filers. The State Department will be required to give the IRS a list of all Americans applying for passports.

IRS officials speculate that many Americans working abroad do not understand they have to file a tax return, even though all or a part of their earnings are exempt from tax. In 1986, up to $80,000 of earnings were not subject to tax if a worker met certain qualifications. This year, the figure is down to $70,000. Not filing a return is grounds for the IRS to deny the exclusion.

In addition, the IRS will crack down on foreign-owned firms operating in the U.S. that only pay an average 1 per cent tax on their operations, an IRS survey showed. The IRS estimated that those companies *on average pay 16 per cent to 19 per* cent less than U.S.-based multinationals.

WORLD BUSINESS IN BRIEF

U.S. banks raise their prime rates

NEW YORK (Reuter). – Citibank, the largest U.S. Bank, said yesterday it would raise its prime lending rate to 7.75 per cent from 7.5 per cent and was quickly followed by Chase Manhattan and Marine Midland Bank.

It marks the first increase in the key interest rate charged by a major financial institution since the prime began its long decline from 13 per cent in June 1984.

A Citibank spokesman said the increase was aimed at bringing the rate into line with prevailing money *market rates, which have been* edging upward in recent days. He said the prime rate had lagged behind prevailing market rates in London, *where banks are active in the* Eurobond market.

Dealers said there was some speculation that the two banks' interest rate increases might have been prompted by the Federal Reserve Board, the U.S. Central Bank, possibly in a bid to steady the dollar. "I frankly doubt it, but it would be a lot cheaper than buying dollars," said a government securities dealer.

The prime is the rate traditionally charged by banks to their best customers and is considered a benchmark for other interest rates.

A MULTIMILLION DOLLAR MERGER of Delta and Western Airlines was blocked by a U.S. Appeals Court Tuesday only to see a U.S. Supreme Court judge lift the lower court's injunction, hours later.

A Supreme Court spokesman said in Washington Justice Sandra Day O'Conner took the action after a three-judge panel of the ninth U.S. Circuit Court of Appeals in San Francisco had blocked the merger until a dispute over union representation had been settled by arbitration.

The spokesman said O'Conner had granted a stay of the injunction, allowing the merger, worth nearly $860 million, to go through yesterday.

TRADE WAR FEARS were discounted Tuesday by U.S. officials, who were reacting to nervous stock and currency markets.

Commerce Secretary Malcolm Baldrige said penal tariffs on $300 million worth of Japanese goods – imposed in retaliation for alleged Japanese dumping of semiconductors on third markets – would go ahead, but he told a conference here, "I'm sure we can work our way out of this."

"There will not be a trade war," he told reporters. "A trade war simply doesn't make sense for the Japanese, as it obviously does not for the U.S.

Treasury secretary James Baker told reporters he was not particularly concerned about the market developments.

JAPAN'S FOREIGN CURRENCY reserves more than doubled during the previous fiscal year to reach a record $58.39 billion, reflecting massive support buying of the dollar by the Bank of Japan, the Finance Ministry said here.

The Japanese central bank does not disclose the scope of its interventions but banking sources estimate that it came to $25b. in the 1986 fiscal year that ended Tuesday.

Foreign exchange reserves stood at $27.9b. at the end of fiscal 1985. The dollar ended the 1986 fiscal year at 176.65 yen in Tokyo. On Tuesday, one year later, it closed at a post-war low of 145.65.

London stocks, dollar gain on interest hike

LONDON (Reuter) – The dollar steadied in Europe yesterday after two big U.S. banks raised their loan rates last night. But the London market fell sharply.

European investors and speculators seemed unsure whether Tuesday's 0.25 percentage point increase in the Benchmark prime lending rate quoted by Citibank and Chase Manhatten Bank (see World Business in Brief) would kick off a wave of rises in U.S. interest rates. But, if that happened, dealers said the dollar should start to climb, even if higher rates took the steam out of the share price boom on Wall Street – and some European investors are preparing for just that.

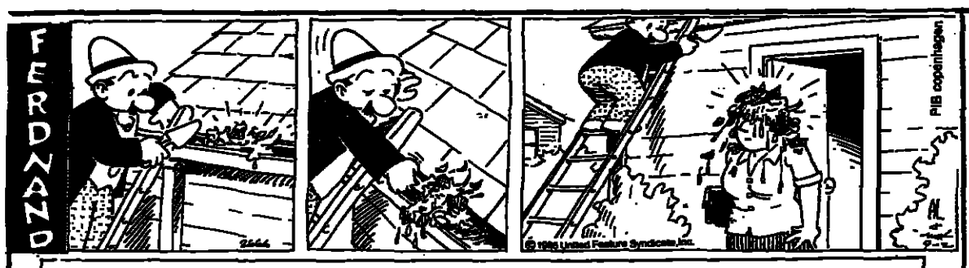
As Europeans stopped bailing out of the dollar yesterday, it steadied and firmed slightly, to close at 146.7 yen and 1.819 Deutch marks – up from Tuesday nights London close at 146 yen and 1.8065 marks.

"For really the first time, people are thinking that the next move in U.S. interest rates is going to be up, not down," said Ian Harwood, an analyst at Warburg Securities in London.

British share prices fell with the widely watched Financial Times index of 100 leading shares tumbling at one stage to 1.966.1 – 31.5 points down on its finish last night of 1997.6 – before firming to 1974.4.

TOKYO SHARE PRICES closed sharply higher in heavy trading yesterday with a closely-watched market indicator scoring the third steepest single day gain on record.

The 225-issue Nikkei Stock Average, a 60.91 yen loser on Tuesday, finished at 22,040.18 yen, up 473.52 yen over the previous day.



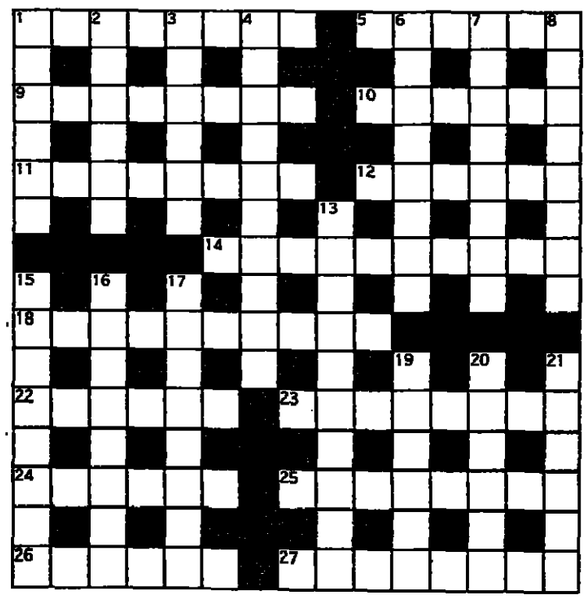
CROSSWORD

ACROSS

1 It brings everything to a halt. That's the point (4.4)
5 Let the learner driver get relaxed (6)
9 Hung about for a pound in inordinate greed (8)
10 Minister meets a constituency member to patch things up (6)
11 Enduring music written for public consumption (4.4)
12 He says it's an old coin (6)
14 Head for curricular development task (5.1.6)
18 Five balls are almost finished (6.4)
22 Firm anything but down even though short of cash (4.2)
23 Refuse CO agitating to send the troops in (3.5)
24 Succeed in giving constructive advice (4.2)
25 Drop in and settle bill in total (3.1.4)
26 *Not his style to be in the* fashion (6)
27 Most strongly inclined to split up Tess and Pete (8)

DOWN

1 Don is a common man (6)
2 Is he one who wants more time? (6)
3 Understanding the function of the pupil (6)
4 Ecstatic at leaving the trenches behind (4.5.5)
6 Vote in Reagan if you want a spin off from atomic energy (8)
7 Is Patrick Moore top of the bill? (4.4)
8 Act a central role then quit (8)
13 Begin to bake a pie around the first of September (4.1.5)
15 Where the cat sat in the dog-house (2.3.5)
16 Fetes relatives with peaches and cream? (4.4)
17 Expressions of praise in the back of the stalls (8)
19 A lover on fire! (6)
20 A tenor *arrangement highly* embellished (6)
21 Declare record turnover like a shot (6)

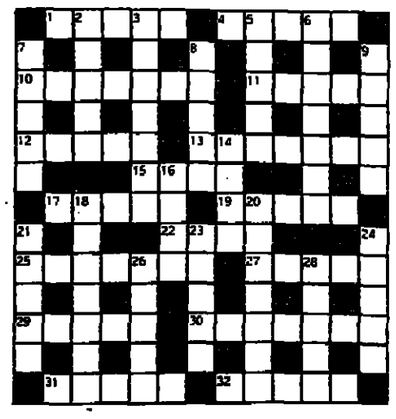


Yesterday's Solution

D	I	S	G	R	U	N	T	L	E	M	E	N
I	T	A	U	A	E	A	P					
G	R	A	S	P	E	D	T	R	A	C	T	O
G	M	T	G	T	S	I	O					
E	X	P	O	M	E	T	I	C	U	L	O	U
R	C	G	R	C	R	N	I					
S	H	O	G	U	N	R	E	L	A	X	A	N
T	L	N	S	D	B	L						
B	O	L	D	F	A	C	E	P	L	A	S	M
O	E	I	A	G	E	E	N					
R	O	C	K	G	A	R	D	E	N	D	R	A
D	T	H	P	M	P	V	E					
E	P	I	S	T	L	E	I	N	I	T	I	A
R	N	E	R	N	K	C	U					
A	G	G	R	E	S	S	I	V	E	N	E	S

QUICK SOLUTION

ACROSS: 1 Alaska. 4 Tutti. 8 Shady. 9 Traders. 10 Elastic. 11 Fear. 12 Kit. 14 Eton. 15 Ripe. 18 End. 21 Lute. 23 Aintree. 25 Trellis. 26 Elect. 27 Rusty. 28 Statue. **DOWN:** 1 Answer. 2 Adamant. 3 Keystone. 4 Teak. 5 Theme. 6 Insure. 7 Stick. 13 Transept. 16 Perfect. 17 Slater. 19 Daisy. 20 Settle. 22 Tress. 24 Play.



QUICK CROSSWORD

ACROSS

1 Twenty-four sheets
4 Navigational markers
10 Defence minister
11 Claw
12 Pastoral poem
13 Short musket
15 A son of Adam
17 Retail establishment
19 Worsted fabric
22 English county
25 Master of ceremonies
27 Funeral lament
29 Aviator
30 Lei
31 The staff of life
32 A burglar's tool

DOWN

2 Excessive rate of interest
3 Professional soldier
5 Speak
6 Shouting out
7 Words of a song
8 Pair
9 Bury
14 In addition
16 Endure
18 Large glass
20 Give sanction to
21 Extent
23 Brink
24 Impoverished
26 Additional
28 Kingdom

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Krayot Haifa: Herman, Simtat Modi'in, Kiryat Motzkin, 715136.

Haifa: Pevsner, 27 Pevsner, 664073.

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Eilat 7233	Rehovot *451333
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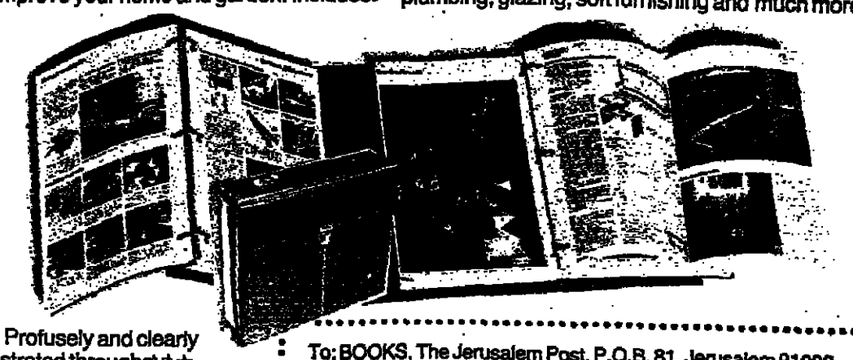
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Leumi wins key concessions from banks to cut Israel's overseas borrowing costs

By PINHAS LANDAU
Post Finance Reporter

Israel's isolated position in the world financial community has been radically changed through a series of deals, totalling almost $100 million made over recent months by Bank Leumi. These breakthroughs, which were announced by the bank yesterday, could open the way to significantly lower borrowing rates for Israeli banks and companies on the international market.

Although measured in fractions of a per cent – and hence seemingly negligible when compared with local interest rate movements – the lower rates could save the Israeli economy tens of millions of dollars annually. What is perhaps even more important, Leumi's precedent-making deals could lead to a long-awaited revolution in the way Israel is perceived and treated by international banks (see story page 6).

The man who negotiated the deals for Leumi is the head of the bank's correspondent banking department, Dr. Marcel Stein. In a series of exclusive interviews over the past year, Stein explained to *The Jerusalem Post* the development and potential significance of these financing operations, but embargoed publication of the existence of the ongoing negotiations until the last deal was signed this week.

Over and above the wider national importance of the achievement of lower borrowing rates, Stein noted another, strictly professional aspect of the financings he had completed: Israeli banking is increasingly adapting to modern banking practices in its international borrowing operations.

The traditional method used by Israeli banks to raise medium- and long-term financial funds (as distinct from loans that carry government guarantees from trade-promotion



Marcel Stein

agencies, such as the U.S. Export-Import bank and the British Export Credit Guarantee Department) has been by arranging direct bilateral bank-to-bank loans.

In today's rapidly changing international banking environment, this approach is considered antiquated and its use is shrinking rapidly. Total bilateral and syndicated or multilateral loans fell from $67 billion in 1983 to an estimated $40b. last year and are expected to fall further this year.

In their place has come the concept of "securitization," – banks and other borrowers issuing a growing range of novel negotiable instruments or securities to raise funds. This market has grown from almost nothing in the first years of this decade to $64b. in 1985, $75b. in 1986 and a forecast $85 billion this year.

The three transactions completed by Leumi over the last few months represent a mix of old and new methods.

The first was a $50m. 2½ year syndicated loan, concluded in November last year. Its importance lay in the fact that it marked the first time Leumi succeeded in getting a top American bank to lead the issue. It obtained participation from a broad international spectrum, including French, Italian, Irish, Scandinavian and Far Eastern banks, as well as other U.S. institutions. While unwilling to reveal the actual names involved, Stein made it clear that each of these banks was among the industry leaders in its country.

This was followed by a small, but potentially far-reaching issue of certificates of deposit, a typical example of the kind of negotiable instruments implied in the term "securitization." Leumi's February issue was only a trial affair of $5m., but it should be seen as setting a precedent in the method used and the price paid

For the three-year money, Leumi paid the London inter-bank offered rate Libor plus 5/16 of a per cent, hardly more than other borrowers in a comparable economic position would pay. It was far below the cost of raising medium-term funds in the traditional way used by Israel hitherto.

The issue was handled by an important foreign bank in the London inter-bank market. Leumi would not identify the name of that bank either, but said its name and country of origin would evince amazement among both Israeli and foreign bankers.

The third financing was the most complicated to organize, both at the Israeli and foreign ends. The technique is called "NIF," standing for Note Issuance Facility, and its effect is to turn short-term funds at the bank's disposal into credit available for long-term lending.

This is done by a group of underwriting banks agreeing to make a loan facility available to the borrower for a given period. Armed with this agreement, the borrower then raises short-term funds by issuing notes or CDs, or uses those it already has for the purpose of lending for periods up to the duration of the facility.

In practice, the borrower does not intend to draw on the facility granted by the underwriters, nor is the borrower expected to do so, because such facilities are offered to borrowers who are considered to be liquid in their own right. For the borrowers, the entire transaction is "off-balance sheet" – it gets them fees without their having to actually commit funds.

In Leumi's case, the facility was for $40m. for four years, and was underwritten by four major U.S. banks and a leading Italian institution. Thus, by paying short-term interest rates on the money it has available or can raise, and an additional fee to the underwriting banks for their participation in the NIF, Leumi can lend funds at higher long-term rates.

Leumi paid higher-than-usual participation fees because this was the first transaction of this kind for the bank. Nevertheless this still left its total cost of funds much cheaper than the regular bank-to-bank loans that it would normally have used.

Stein notes that the great advantage for Israel in being able to issue short-term paper, such as CDs, or notes under the NIF, is that the international market will become used to trading Israeli paper, which is currently not the case. As this process continues, borrowing costs will drop further, which will benefit both banks and their corporate customers, and the scale and sophistication of Israeli participation in the emerging global capital market will increase.

Koor sees $1.5b. in sales in '87

TEL AVIV (Itim). – Koor Ltd.'s sales are expected to grow some 15 per cent this year to $1.5 billion, besting last year's 9 per cent increase, Managing Director Yeshayahu Gavish told reporters at a press conference yesterday.

He described 1986 as a difficult year for much the same reasons other industrial firms have offered: the effectively frozen shekel-dollar exchange rates, the imposition of price controls while inflation ran at a 20 per cent annual rate, high interest rates and a depressed building sector.

Only the sharp increase in consumer spending that developed in the later part of the year enabled the Histadrut-owned industrial holding company to post a 9 per cent rise in sales to $1.3b.

Gavish said Koor was predicating its 1987 forecast on the assumption that further efforts would be made to squeeze the remaining inflation out of the economy, although the rate would probably again be 20 per cent for the year.

He expressed optimism that the government would implement its plans to reform the capital market, in particular plans to ease the rules regarding corporate fundraising abroad. Gavish noted that elections were not scheduled until 1988, which gave the cabinet time to deal with these matters before politics came to the fore.

The 10 per cent devaluation of the shekel last January gave an important shot in the arm to exporters, improving both their profitability and competitive ability, Gavish said.

Against this, Gavish said the local market was likely to post negligible growth this year, especially as most government ministries were supposed to keep to tight spending limits and would place fewer orders than last year. He predicted interest rates would remain high.

Gavish said that Koor planned to hold new investment to $100 million this year. Of that $30m. had already been raised and the balance would be raised in Israel rather than abroad, he added.

Joseph Levi, Koor's manager of operations, said exports for 1987 were expected to reach $600m., a growth of 8 per cent from last year. He said he expected most of the growth would come in the company's electronics sector, particularly products destined for the civilian market by Koor's Telrad Industries Ltd. and Tadiran Ltd. units.

He said the American telecommunications market, as well as a sale of rubber and food products were forecast to be strong this year.

Despite a continued decline in orders from the Israeli defence ministry sales of security-related products were expected to show improved sales this year, growing by $74m. this year from 1986 to $318m.

Shipping firm wins $6m. suit against ex-partner

By YA'ACOV FRIEDLER
Jerusalem Post Reporter

HAIFA. – The German shipping company, Continent Israel Schiffahrtsgesellschaft (CIS), which operates a container shipping service between Israel and northwest Europa, has been ordered to pay $6 million damages to Tel Aviv-based Allalouf Shipping Ltd., over its abrupt suspension of their 10 year old partnership in 1982.

The damages were awarded by former high court justice, Shlomo Asher, who arbitrated between them by their mutual consent.

Allalouf, represented by Tel Aviv attorney, Gad Naschitz, had requested an injunction against CIS when it gave three months' notice of its intention to abrogate the partnership. The two firms later agreed to submit it to Asher's arbitrations.

Asher concluded that Allalouf had provided most of the expertise for the service between Hamburg-Bremen-Rotterdam and London and the ports of Haifa and Ashdod, that the two had operated since 1972. CIS had then been inexperienced, and Allalouf built up the business from two small ships with five sailings during the first year, to a fleet of seven larger vessels making 66 sailings in 1982.

Asher rejected as a pretext CIS's claim that they had decided to opt out after Allalouf had assumed the agency of an Italian shipping company, Grimaldi, on the grounds that this would constitute competition of interests. Although Asher questioned Allalouf's failure to inform CIS of its intention, he found that the Grimaldi ships, serving southern European ports, did not compete with CIS.

Allalouf had employed a staff of 100 to handle the business the CIS line generated. "On leaving the partnership to join with another Israeli shipping agency, CIS has taken along two Allalouf senior clerks, who brought with them confidential business information, Asher found.

He dismissed the claim that this had been "legitimate competition," and noted that while business was not necessarily pursued by "knights in shining armour," it should not be piracy either. In view of the large scale business Allalouf had built up for the line, CIS should have given at least a full year's notice of its intention to abandon the partnership.

CIS is continuing its operations with another Israeli partner, while Allalouf now represents the Israeli shipping company founded by Ezer Weizman.

Law approved requiring outsiders on company boards

By DVORAH GETZLER

Over 250 publicly traded companies will from now on be compelled to elect two representatives of the public to their boards of directors, under a law that passed its second and third Knesset readings Sunday. The companies will also be compelled to reveal to the public the salaries of their top employees.

The legislation is the result of a private member's bill by the Likud's Ariel Weinstein. The rider on salaries, with its echoes of the recent scandals in Bank Leumi, was proposed by his faction colleague Dan Tichon.

The public's representatives are to be paid salaries and expenses as determined by the minister of finance.

COMPANY RESULTS

Artistic Packings Industry Ltd.
Packaging

Year to Dec. 31	1986	1985
Revenue	NIS 3.9m.	3.9m.
Net income	409,987	332,633
Per share	345%	288%

Spectronix Ltd.
Fire control equipment

Year to Dec. 31	1986	1985
Revenue	$ 6.94m.	11.87m.
Net income	2.08m.	4.26m.
Per share	1.22	2.50

Clal Realty Investment Ltd.
Development

Year to Dec. 31	1986	1985
Net income	NIS 11.6m.	2.29m.
Net income	46,000	(900,000)
Per share	0.01	(0.55)

Agan Chemical Mfrs. Ltd.
Chemicals

Year to Dec. 31	1986	1985
Revenue	NIS 99.07m.	NIS 92.84m.
Net income	5.17m.	5.75m.
Per share	1,333.6%	1,483.4%

Tel Aviv Stock Exchange

MARKET STATISTICS

128.22 −0.48% — General Share Index

109.91 0.49% — General Bond Index

Share Movements

193 Advances | 107 Unchanged | 79 Declines

Stock Indices

General (excl argmt.)	158.34+1.40%
Non-argmt. Banks	158.37+1.47%
Arrangement Banks	108.36−0.42%
Mortgage Banks	148.32+0.76%
Financial Inst.	118.55+0.24%
Insurance	129.78+2.98%
Commerce & Services	158.74+1.95%
Real Estate & Agric.	155.65+1.89%
Industrials	159.67+1.45%
Food & Tobacco	155.94−2.64%
Textiles	160.19−1.66%
Metals	164.97−0.28%
Electronics	157.08+0.60%
Chemicals	157.44+1.46%
Industrial Invest.	177.37+3.31%
Investment Cos.	174.72+0.52%
Oil Exploration	171.39+1.50%

Bond Indices

Index-linked Bonds	109.98−0.55%
Fully linked	111.05−0.81%
Partially linked	108.36−0.06%
Foreign Currency	108.95−0.10%
FC denominated	110.90−0.03%
FC linked	108.11−0.14%
Short-term 0-2 yrs	108.02−0.06%
Short-medium 2-5 yrs	109.27−0.57%
Medium-long 5-7 yrs	111.36−0.70%
Long-term 7+ yrs	112.82−0.72%

Turnovers

Total Shares	NIS 25,920,300
Non-arrangement	NIS 24,221,600
Arrangement	NIS 1,698,700
Bonds	NIS 13,939,900
Treasury Bills	NIS 10,588,800

Share Movements

Advances	193	(150)
of which 5%+ buyers only	37	(28)
	3	(3)
Declines	79	(98)
of which 5%+ sellers only	14	(15)
	1	(1)
Trading Halt	31	(19)

Bond Market Trends

Index-linked:	
3% fully linked	Falls to 1%
4.25% fully linked	Mixed to 2%
80% linked	Stable
Double linked:	Stable
Admon	*Mixed to 1%*
Rimon	Rises to 1.5%
Gilboa	Mixed to 1.5%
FC denominated	Rises to 3.9%
T-bills (annual yield)	14.65-35%

Arrangement Yields:

IDB ord.	16.41%
Union 0.1	16.50%
Discount A	16.48%
Mizrahi R.	16.50%
Hapoalim R.	16.53%
General A	16.78%
Leumi Stock	16.48%
Fin. Trade 1	16.17%

SELECTED PRICE QUOTATIONS

Name	Price	Volume '000NIS	% change
Commercial Banks (not part of "arrangement")			
Maritime	2080	1846	−2.4
General non-arr.	29800	211	+4.9
First Int'l	6030	17742	+8.3
FIBI	8130	5559	+4.1
Commercial Banks (part of "arrangement")			
IDBr	81380	167	−1.1
Union 0.1	67900	55	−0.4
Discount	116550	84	–
Mizrahi	37550	338	−0.4
Hapoalim r	61980	727	−0.3
General A	157850	21	+0.1
Leumi 0.1	39400	1762	−0.6
Fin. Trade	52500	–	–
Mortgage Banks			
Leumi Mort. r	9790	301	+1.6
Dev. Mort.	4135	1738	–
Mishkan r		no trading	
Tefahot r	24580	105	−0.8
Merav r	9184	234	+3.4
Financial Institutions			
Agric C		no trading	
Ind. Dev. DD		no trading	
Clal Leasing 0.1	29300	102	–
Insurance			
Ararat 0.1r	1620	144	−1.8
Hassneh r	430	26191	+1.2
Phoenix 0.1	825	7574	+3.1
Hamishmar	8750	123	+3.6
Menorah 1	2970	750	+10.0
Sahar r	8720	1402	+4.9
Zion Hold. 1	12230	–	–
Trade & Services			
Meir Ezra	1430	2110	+2.1
Supersol 2	14800	1160	+6.9
Delek r		no trading	
Lighterage	27000	35	–
Cold Storage	1500	4788	+6.4
Dan Hotels	2000	410	–
Yarden Hotel	2715	125	+1.0
Hilon 1		no trading	
Team 1	1100	7035	−2.7
Real Estate, Building and Agriculture			
Azorim	1408	22289	+1.4
Eilon	523	19896	+8.1
Africa Isr. 0.1	60700	283	+9.2
Dankner	8120	1287	+4.1
Prop. & Bldg.	4060	8260	+2.7
Bayside 0.1	5800	418	+3.6
ILDC r	100300	589	+3.1
Rassco r	6180	454	−7.5
Mehadrin	7240	879	–
Hadarim	1900	1238	+3.3
Industrials			
Dubek b	6860	1625	+2.2
Pri-Ze 1		no trading	
Sunfrost	17050	127	+3.3
Elite	26500	638	+2.8
Adgar	890	6981	−2.1
Argaman r	18350	185	–
Delta G 1	6170	656	+1.6
Maquette 1	5500	802	–
Eagle 1	790	2550	+6.0
Polgat	5700	1793	+3.6
Schoellerina	15300	563	+6.6
Rogosin	3035	804	−0.6
Urdan 0.1 r	13489	388	−0.1
Is. Can Co. 1	5200	1882	+3.6
Zion Cables	3526	1032	–
Pecker Steel	24200	238	–
Elbit	600000	59	–
Elron	500500	43	+0.6
Arit	33400	199	–
Clal Electronics	2750	4705	+2.4
Spectronix 1	3300	3676	−4.6
T.A.T. 1	2339	1892	+9.4
Ackerstein 1	1291	3065	+0.5
Agan 5	24500	815	+2.1
Alliance	2638	554	–
Dexter	3800	222	−6.6
Fertilisers	5055	54	+2.0
Haifa Chem.	923	16133	+2.2
Teva r	12850	2098	–
Dead Sea r	3225	6886	+1.2
Petrochem.	714	92818	+10.0
Neca Chem.	9660	162	−0.4
Frutarom	19950	130	+0.4
Hadera Paper	444500	303	−0.7
Central Trade	14250	868	+3.4
Koor p	15300000	0	+2.0
Clal Inds.	2920	23765	+3.2
Investment Companies			
IDB Dev. r	9380	5743	−1.1
Ellern	8500	2230	+3.2
Afik 1	389	14006	−2.5
Gahelet	1820	200	–
Israel Corp. 1	23000	1487	–
Wolfson 1 r	144000	3	+5.1
Hapoalim Inv.	11600	1000	+1.8
Discount Invest.	8050	11989	–
Mizrahi Invest.	40518	136	−0.0
Clal 10	1695	21074	+1.4
Landeco 0.1	3150	50	+6.8
Pama 0.1	13720	98	+3.6
Oil Exploration			
Paz Oil Expl.	38060	55	+0.9
J.O.E.L.	7851	1871	+4.7

Abbreviations:
a.o. sellers only **b bearer**
b.o. buyers only **r registered**

DEMJANJUK ON TRIAL

(Continued from Page 2)

never quite without dramatic and important developments.

Just as Levin said, "I have a feeling that we can complete Grabitz's testimony tonight, we can't give unlimited time to one witness," O'Connor asked the witness a seemingly innocuous question: "Did you ever come across an identity card among your Streibl case documents?"

Grabitz answered in the negative and explained that she dealt only with a German accused (Streibl), since she stopped her prosecution of nine foreign Trawniki men in 1968.

"Was there an amnesty in that year?" asked O'Connor.

No, replied Grabitz, she simply stopped prosecuting the men that year for lack of evidence and other technical reasons.

But O'Connor persisted: "You've never seen an ID card among all the documents in your 161 volumes of records?"

Here Levin wanted to know whether O'Connor was referring to originals or to copies. "It makes no difference, I want to know about either kind."

Grabitz replied that she had never come across a document similar to the *Dienstausweis* (service pass) supplied by the Soviet Union to the prosecution.

"What would happen," O'Connor wanted to know," if a Hiwi auxiliary was stopped by a German SS man and asked to identify himself? What if he showed a pass that did not bear a date?" (This is the case with the ID card in the possession of the prosecution, which bears a photo purported to be that of Demjanjuk, and camp commander Streibl's signature, but no date. The defence says that the ID card is a forgery.)

Grabitz replied that she knew of other types of passes: "They are all very different."

O'Connor: "But is it conceivable to have such a document without a date? How can it be checked?"

At this the prosecution entered an objection, saying that the question was hypothetical.

O'Connor rebutted by saying that his question was based on the fact that Trawniki men were allowed to go on leave, and were sometimes invited into German homes, at which point they needed valid passes.

The bench sustained the objection.

There is no doubt that in its questioning the defence scored points in its battle to discredit the authenticity of the Russian-supplied ID card, which is a mainstay of the prosecution's case against Demjanjuk. Grabitz's later testimony about the existence of various types of ID cards cancelled out some of the gains made by the defence.

When O'Connor, after this exchange, wanted to go back to the subject of Steigl's signature on the ID card, Levin stopped him. "Mr. Gill exhausted this subject yesterday. Please keep to our agreement."

He was referring to the agreement whereby all three defence lawyers may cross-examine Grabitz, but on condition that they deal with different subjects.

O'Connor tried another tack: "Are you aware that the Russians have different charges against Demjanjuk? That they don't think he was at Treblinka?"

Grabitz: "I don't understand. How should I know?"

Here Shaked objected again. "My colleague from time to time tries to sneak information into the protocol which has no place being there."

At this Judge Zvi Tal intervened: "What's the value of all this? It is hearsay based on hearsay."

O'Connor: "The esteemed prosecutor is clouding the issue. He knows that the Soviets have different charges against Demjanjuk."

The prosecution's objection was sustained.

More objections from the defence than from the prosecution were sustained during the day.

Israel Money Markets

ISRAEL MONEY MARKETS

Shekel Deposits (annual rates)

Bank Last Updated	Deposit Size	Tapas	7 days	14 days	30 days
Leumi (Mar. 27)	500–999	10.00	11.00	12.00	15.00
	1,000–9,999	23.50	23.00	21.50	22.25
	10,000–49,999	25.00	24.00	22.50	23.25
	50,000+	25.50	24.50	23.00	23.75
Hapoalim (Mar. 27)	Up to 999	10.00	11.00	12.00	15.00
	1,000–9,999	21.00	21.00	21.50	21.50
	10,000–49,999	23.50	23.50	23.50	23.50
	50,000+	24.00	24.00	24.00	24.00
Discount (Mar. 26)	40–999	10.00	11.00	12.00	16.00
	1,000–10,000	20.00	20.00	20.50	21.00
	10,001–50,000	22.50	22.00	22.50	23.00
	50,001–99,999	22.50	22.00	22.50	23.00
Mizrahi	40–1,000	—	—	—	—
	1,001–2,500	—	—	—	—
	2,501–5,000	—	—	—	—
	5,001–10,000	—	—	—	—
	10,001–50,000	—	—	—	—
First Int'l (Mar. 18)	50–999	17.00	16.10	15.10	15.00
	1,000–4,999	22.00	21.90	21.40	20.00
	5,000–9,999	23.00	22.40	22.20	21.00
	10,000–49,999	24.00	23.50	22.90	22.20
	50,000+	25.00	25.00	24.00	23.00

Patah (foreign currency deposit rates)

Currency (min. deposit)	3 MONTHS	6 MONTHS	12 MONTHS
U.S. dollar ($100,000)	5.875	5.875	6.0
Pound sterling (£100,000)	8.25	8.125	8.0.75
Deutschmark (DM 200,000)	3.0	3.0	3.125
Swiss franc (SF 200,000)	3.75	3.75	3.75
Yen (3 million yen)	2.5	2.5	2.5

SOURCE: BANK LEUMI. Rates vary according to size of deposit.

Shekel Foreign Exchange Rates (April 1)

	CHEQUES AND TRANSFERS Buy	Sell	BANKNOTES Buy	Sell	Rep. Rates*
Currency basket	1.6690	1.6900	—	—	1.6795
U.S. dollar	1.5960	1.6160	1.56	1.63	1.6064
Deutschmark	0.8769	0.8879	0.86	0.90	0.8831
Pound sterling	2.5628	2.5928	2.50	2.61	2.5747
French franc	0.2637	0.2670	0.25	0.27	0.2655
Japanese yen (100)	*1.0969*	*1.1004*	*1.08*	*1.11*	*1.0935*
Dutch florin	0.7775	0.7873	0.76	0.79	0.7825
Swiss franc	1.0500	1.0632	1.03	1.07	1.0565
Swedish krona	0.2513	0.2545	0.25	0.26	0.2530
Norwegian krona	0.2330	0.2359	0.23	0.24	0.2345
Danish krona	0.2328	0.2357	0.23	0.24	0.2343
Finnish mark	0.3581	0.3626	0.35	0.37	0.3605
Canadian dollar	*1.2211*	*1.2364*	*1.19*	*1.25*	*1.2291*
Australian dollar	1.1252	1.1393	1.03	1.13	1.1324
S. African rand	0.7852	0.7851	0.61	0.61	0.7908
Belgian franc (10)	0.4222	0.4275	0.41	0.43	0.4264
Austrian schilling	1.2470	1.2600	1.22	1.27	1.2557
Italian lira (1000)	1.2324	1.2479	1.20	1.27	1.2398
Jordanian dinar	—	—	4.47	4.75	4.6827
Egyptian pound	—	—	0.78	0.80	0.8032
ECU	1.8202	1.8430	—	—	1.8323
Irish punt	2.3461	2.3765	1.05	1.12	2.3625
Spanish peseta (100)	1.2503	1.2680	1.21	1.29	1.2572

SOURCE: BANK LEUMI.

Foreign Markets

EUROPEAN FINANCIAL MARKETS (April 1)

Precious Metals

Gold	London	a.m. fix	418.50
	London	p.m. fix	416.75
	Paris	noon fix	419.16
	Zurich	p.m. fix	419.15
Silver	London	Spot	625.60
Platinum	London	p.m.	553.50

Libor Rates

	1 month	3 month	8 month
Sterling	10	8 23/32	9 13/16
Dollar	6 5/16	6 11/16	6 7/8
S. franc	3 5/16	3 13/16	3 13/16
D-mark	4	4	4 1/16
Yen	4 1/16	4 1/16	4

SOURCE: MARINE MIDLAND BANK

Foreign Currency Crossrates (London 15:30 GMT)

	Spot	3 months	6 months	12 months
Forward rates		129/124	228/224	417/407
Pound sterling	1.6040/50	122/117	244/239	485/475
Deutschmark	1.8200/10	118/113	230/220	445/420
Swiss franc	1.5200/10	84/59	135/127	290/275
French franc	2.0535/45	250/280	480/530	920/1020
Dutch florin	6.0510/60	102/97	203/183	407/387
Japanese yen	146.65/75	95/110	180/220	400/470
Italian lira	1298.5/7.5	3/7	9/14	16/26
Belgian franc	37.65/70	12/15	24/29	50/65
Canadian dollar	1.3085/90	10/5	20/13	50/30
ECU	1.1400/05	17/7	35/20	70/55
S. African rand	0.4910/25	7/5	14/10	26/17
Austrain schilling	12.77/79	580/630	1115/1175	2140/2240
Swedish krona	6.3450/00	1280/1330	2590/2660	5100/5200
Norwegian krone	*6.8400/50*	520/590	1075/1175	2150/2350
Danish krona	6.8550/00			

Share indices

Commerzbank 60 stocks ..... 1832.0 +57.5 Financial Times 100 stocks 1973.3–24.3

NEW YORK FINANCIAL MARKETS (April 1)

U.S. Money Rates

Prime rate	7.5-7.75%	Fed funds last	6 5/16%
Broker loan	7.5–7.25%	30-year bond	95 18/32–19/32
NY Euros (3 months)	6 11/16–9/16	Discount rate	5.5%

New York Foreign Exchange

	DMK	SFR	STG	YEN	CAN
Prev closing	1.8085/95	1.5095/05	1.6065/75	145.90/00	1.3052/57
Opening	1.8185/95	1.5220/30	1.6035/45	146.75/85	1.3105/10
Latest	1.8290/00	1.5305/15	1.5910/20	147.00/08	1.3115/20

Comment:
The dollar moved again toward the day's highs yesterday on scattered shortcovering prompted by a sharp drop in currency futures in the last hour of trading in Chicago. The market has been reassured by U.S. Treasury Secretary Baker's conciliatory words on trade frictions. However, the pound was still under pressure from British Chancellor Lawson's remarks.

Precious Metals

Gold	Spot	417.85	Silver	Spot	6.26
	Prev close	417.85		Prev close	6.19

Wall Street (Prices as of 16:00 EST)

Market Indices			NYSE Highest Volume		
DJ Industrials	2,318.05	+11.36	GCA CP	3/16	–1/32
DJ Transport	926.27	+ 5.58	Pac G&E Co	22½	–2
DJ Utils	209.81	–2.88	IBM	150¾	+⅝
65 stocks	861.91	+2.37	ATT	23⅝	unch
NYSE Comp	165.90	+0.01	United Air	57¼	+⅜
NYSE Inds	200.21	+0.71	Std Oil Co	70⅝	+⅜
NASD Fin'l	524.10	–3.72	Revlon	19¼	+ ⅛
S–P 100 Index	283.59	+1.52	United Carb	28	–⅛
S–P comp	292.28	+0.58	Amer Expr	74½	–¼
NASD Banking	502.57	–3.82	Pacific T	26½	–⅛
NASD Inds	452.50	–1.71			
S&P OTC 250	269.83	+1.07			

Statistics

NYSE	Volume	181,208,300	NASDAQ Volume	140,866,700 (Mar. 31)
	Stocks up	476	Stock up	1331
	Stocks down	845	Stocks down	1,080

Comment:
Wall Street stocks remained lower yesterday in active trading, recovering some of the ground lost in the morning when the market sold off on news that several banks raised their prime rate. Some bargain hunting, particularly in stocks that benefit from a weak dollar, aided the market.
Texas Instruments rose 4⅞ to 190¼. Bethlehem Steel gained ⅛ to 8⅝.

Israeli Stocks Traded in New York

NYSE/Amex	Last	Prev. close	High	Low	Vol. ('00s)
Alliance	1¾	1¾	1¾	1¾	8
Am Isr Pap	26⅛	26	26⅛	26	329
Ampal	1⅞	1⅞	1⅞	1¾	73
Carmel Cont	8¾	9	8¾	8¾	10
Elscint	2	2	2	1⅞	155
Etz Lavud	9½	9⅝	9½	9½	1
Laser Inds	13½	13½	13⅝	13⅜	95

Over-the-Counter	Last	Bid	Ask		Last	Bid	Ask
Aryt	—	6½	7	Interpharm	—	4¾	5¼
Bank Leumi	—	22	24	Optrotech	6¼	6¼	7
Elbit	10½	10½	10⅝	Rada	—	3⅞	4⅛
ECI Tel	4¼	4	4⅛	Schex	3½	3½	3⅝
Elron	8⅜	8⅜	8¾	Taro-Vit	—	2⅛	2¼
Fibronics	7½	7⅝	7½	Teva Pharm	—	8¾	8
IDB	—	61	66	SPI	3¼	3	3⅜
IIS	3⅜	3⅜	3¾				

OVERSEAS FINANCIAL DATA
PROVIDED BY REUTERS MONITOR

Venture Capital Available

Investors interested in joint ventures and/or royalty arrangements with **investors and developers** who have commercially exploitable high-tech **inventions or consumer** *related products suitable for international markets.*

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Full details in English are to be provided in order to assess the merits of each proposal. **Total confidentiality is assured. Reply to "Investment Principals," 18 William Street, Double Bay, Sydney 2028, N.S.W. Australia.**

ad031-02-114

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Unfinished budget

A RATHER emasculated version of Finance Minister Moshe Nissim's state budget proposal for fiscal 1987/88 passed through the Knesset in time late Tuesday night to win muted applause. By that time, too, the Knesset Finance Committee had endorsed a somewhat revised version of Mr. Nissim's proposed tax reform. These, together with a reform of the capital market, were to form a grand design for economic takeoff beyond the 1985 stabilization plan.

That parliament did not swallow the finance minister's double prescription whole, need not have come as a surprise. The Treasury's budgetary and tax ideas are always open to challenge from government ministries and pressure groups. Besides, there are few better ways for the Knesset to demonstrate its sovereign status than in wielding the power of the purse.

If Mr. Nissim has very nearly cooked his goose, however, it was also because he had taken little trouble to secure in advance the cooperation of economic and political interests that were certain to be adversely affected by his daring innovations.

The minister's – or the minister's aides' – scheme for keeping the budget within tight limits by charging fees for the use of health and educational services went so far as to seem the entering wedge of a wholesale privatization programme. Had approval of the budget hinged on endorsement of these levies – after cuts in military appropriations had been rejected by a ministerial committee – the budget would not have been approved.

As a compromise of sorts, only interim budgets were voted for education and health, the resolution of the argument about the relative merits of user charges and budget reductions being put off for another day.

The unprogressive tax reform touted by Mr. Nissim as a sure-fire incentive for higher productivity raised egalitarian hackles, since it offered significantly larger concessions to top than to middle and low income earners. Although it sailed through without so far any major change, drastic modifications in it will certainly be sought when it is submitted to the experts' committee which is to work out its details.

Meanwhile it remained all quiet on the capital market front. The idea of a tax on capital gains was dropped as inadvisable economically and uncollectable in practice.

A moderately lean total figure on paper, the budget will no doubt be fattened out in the course of the year, even if – given that taxes cannot be revised upward right away – it means an expanded deficit. The development of new, Israel-designed instruments of warfare has been so drastically constricted as to threaten national security. But the funds required to keep military R&D going can only be drawn from monies currently spent on the Lavi, if they are not to be produced by the money-making machine.

The Air Force would not mind seeing the Lavi scrapped, but it does not seem to have much say in the matter.

In better times a slight "deviation" in real life from the dead letter of the budget would not have been a tragedy. These days, a budget that cannot confidently serve as a tool of economic policy-making is apt to be worse than worthless.

New view from the Kremlin

ONE ITEM of government expenditure that will most likely have to be given another look is that relating to aliya absorption – if this week's reports about the Kremlin's intention to ease its recent restrictions on the emigration of Jews have any truth to them. And it appears that they do, despite the absence so far of any official confirmation of the reports by the Soviet government.

Last week Jewish leaders Edgar Bronfman and Morris Abram during a visit to Moscow, reportedly elicited a commitment from General Secretary Mikhail Gorbachev that the virtual ban on the cultural and religious freedom of Soviet Jews be removed, and that the 12,000 or so long-time "refuseniks" be allowed to fly directly, though via Romania, to Israel. The U.S. government is said to back the deal, which also involves the removal of present Congressional restrictions on trade with the Soviets.

Israel is not included in the deal, except as the country of the Soviet emigrants' purported destination. But further and large-scale aliya may well depend on the type of relationship that will in future develop between this country and the Soviet Union.

The despatch of a Soviet consular delegation to Israel is now on the cards again, and it should lead to the sending of an Israeli consular delegation to Moscow. This may result in the stationing of permanent consular missions by each country in the other. Although falling short of the re-establishment of fully fledged diplomatic ties, it would amount to a reversal of the boycott practised by the Kremlin since the 1967 Six Day War.

It would, however, be surprising if Soviet leaders did not consider their "goodwill" gestures to require Israeli reciprocation in the form of consent to the USSR's participation in an international conference on Arab-Israel peace.

But there's the rub. Even if current reports prove entirely correct, and even if the Soviets – for their own selfish reasons, not out of any suddenly awakened respect for human rights – agree to let tens of thousands of their Jews leave their country again, it will probably take another general election before an Israeli government is set up that could formally endorse the conference idea, with Soviet participation.

Should direct flights, skirting Vienna, be instituted, they will bring to Israel more than a few Soviet Jews whose true destination is America. This need create no problem – even in Israel's own mind – if the U.S. authorities are willing to grant these emigrants entry visas without delay, even as political refugees, and if the Soviet authorities do not object to the arrangement.

But the arrangement cannot be regarded acceptable at all if the Soviets are to cite the use of Israel as a mere way-station to America as an excuse to cut down on the number of emigrants later on; and if large numbers of U.S.-bound emigrants are to remain in Israel, against their express wish, for any great length of time.

An understanding on this point with organized U.S. Jewry is essential, if its resources are to be joined to Israel's in a massive – and for once, it should be hoped, red-tape free – effort of absorption.

The Pollard affair's South African parallel

David Krivine

THE POLLARD affair, not only a blunder in itself, also impaired our independence on other issues, such as South Africa. The affair was a terrible blunder on our part but – let us keep a cool head – it could have been worse. The damage done is not so much to American national interests as to the atmosphere of trust subsisting between the United States and Israel.

Soviet spies seek information about American defences in order to increase Russia's chance of victory in any encounter with the U.S. We did nothing like that. What we sought was information that happened to be in American hands about our own enemies, the Arab countries at war with us.

If I were an American, I would be outraged at Israel's impudence in committing illegalities on the soil of the U.S. The armed services there must be furious that material was stolen from their secret files. But all that does not make Israel an enemy. We have not seriously harmed them. We have misbehaved abominably, but we are still on their side.

ISRAEL'S TWO official inquiries will it is hoped clarify many things. What we shall not discover is whether there was any genuine purpose in these cloak-and-dagger operations from the point of view of our own national interests. Isser Harel, a former Israeli intelligence chief, thinks that whatever benefit we may have derived is far less than the injury that has been inflicted on our relations with the U.S.

But was the benefit to ourselves that great? We can only guess. The secret data accumulated by the Americans were gleaned from confidential sources. We, too, have confidential sources. Indeed, our defence establishment used to be considered the best-informed agency on Middle East affairs.

We were able to dismantle and take away a whole radar station from Egyptian soil, "bolts and all" (to quote a British paper), without anybody's help. We managed to pinpoint the Osiris nuclear plant in Baghdad without purloining maps from the Pentagon.

Does the sudden reliance on other countries' intelligence-gathering indicate a weakening of our own abilities? Are we no longer able to spy on our enemies? Must we do things at second-hand, spying on the espionage of our allies?

When assessing the harm done to Israel's relations with both the U.S., and the American Jewish community, we have to ask ourselves whether access to documents photostated by the unfortunate Pollard has given us important knowledge that we did not possess and that was essential for our security.

If the answer is yes, we should want the authorities to tell us why we can no longer put together that kind of information through our own investigations, and why we are reduced to picking the brains of other people.

If we did not need to spy, our offence is worse; but it is bad in any event. Our situation of dependence on the U.S. creates obligations. Not to pry into American secrets through bribery and corruption is one of them. The expectation in the U.S. that as recipients of large-scale aid we should not bite the hand that feeds us is reasonable, and we deserved to be rapped on the knuckles. America's reproaches do not put us in a situation of subordination.

THE ISSUE is not so clear-cut in another area of disagreement with the Americans: the boycott of South Africa. We are taken to task for trading with that country. America has cut off links and Israel is expected to follow suit. Is that not asking too much, and do we have to obey our mentor submissively?

If America's strategic interests were at stake, it would be different; we must do nothing to injure our closest ally. But the issue this time is not strategic, it is moral.

There is, oddly enough, a certain parallel with the Pollard case. We did not spy in the U.S. to defeat them, as the Russians try to do. Similarly, in the case of South Africa, we have not been supplying arms to America's enemies. The Springboks are in the Western camp.

Their presence there may be supremely embarrassing, but it is not a threat. America decided, for reasons of its own, to blackball South Africa. Our offence is that we did not automatically comply.

Should we comply? Not, I feel, merely because the Americans tell us to. They supply us with arms, and therefore argue that we should not supply arms to countries on their blacklist. We certainly should not under any circumstances sell American arms, nor should we supply other arms on a scale that would imperil the Israeli defence posture, which America has done so much to build up.

But we do engage commercially in the export of arms. Indeed, this strengthens our defence by helping us lower production costs on the military equipment we produce for our own needs. The Americans can justly expect us to refrain from sending weapons to countries that might use them in combat against the U.S. or its allies. South Africa, however, is not such a country.

Obligations are one thing, servility another; and a critical red line separates the two. There are things that can legitimately be demanded of a friendly country. Washington is entitled to forbid the buying of state secrets from American civil servants. That cannot be disputed.

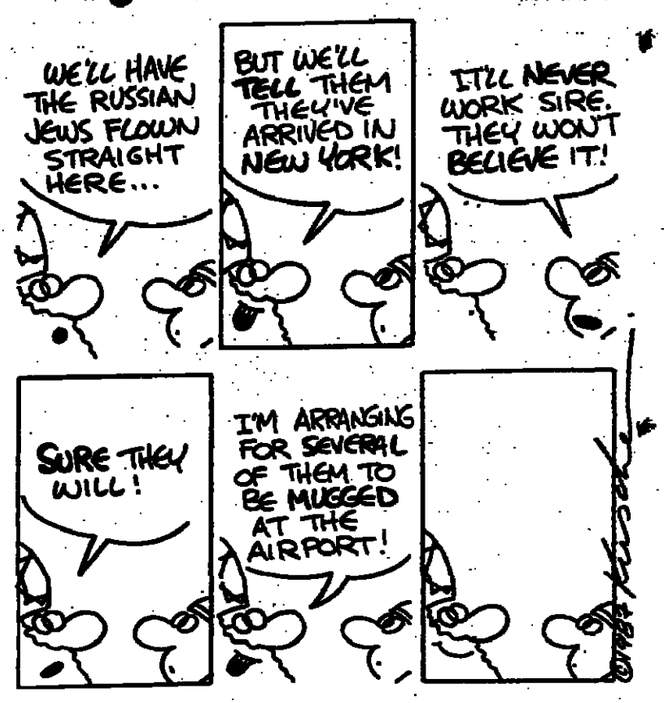
But there are demands a friendly power is not supposed to make even from a small nation that is in its debt. Israel has the right to work out on its own what its relations should be with the ill-starred regime in Pretoria.

We are as concerned with the moral aspect of apartheid as the Americans are, and we may decide to take the same actions as the Americans do. But we may not. We are, after all, a sovereign state. The aid that we get from the U.S., though considerable and much appreciated, makes us a faithful ally; it does not make us a colony. Our policy towards South Africa is based on considerations not identical to those influencing America.

The pity of it is that by breaking the rules of proper behaviour regarding Pollard, we have momentarily weakened our independence in another matter of importance to the U.S. and Israel: relations with South Africa. By reneging on a genuine obligation in one area, we have impaired our capacity to stand up firmly for our own prerogatives in another.

The writer is a member of The Jerusalem Post *editorial staff.*

Dry Bones



Battered women need sheltering

Jeffrey L. Edelson

THE PAGES of this paper recently carried a commentary entitled "A statistical battering" (March 18) by Macabee Dean. Mr. Dean argued that there could not be 100,000 battered women in Israel and that the Knesset's Labour and Social Welfare Committee, headed by Ora Namir, is only responding to the emotional pleas of a few women seeking an increase in goverument funding. Nothing could be further from the truth.

The overwhelming evidence from international research suggests that Ora Namir's committee is right on target when it estimates that there are 100,000 battered women in Israel. Studies in the United States, Canada, New Zealand, England, Finland and Sweden consistently show that 3 to 4 per cent of all women are battered each year. Looking at the figures over a longer time span, this percentage rises dramatically.

Research findings also indicate that unmarried women in steady relationships are just as often the victims of physical assaults by their partners as are married women.

Macabee Dean states that there are 1,450,000 women over the age of 15 years in Israel. Assuming this to be accurate, the research in other countries would mean approximately 45,000 to 60,000 battered women in Israel each year, with the rate likely to reach 200,000 over a period of several years.

One might argue that Israel is not Sweden or New Zealand and certainly not America. This is certainly true. However, the majority of scholars studying domestic violence see a society's treatment of women and the degree of stress in daily life as being directly related to the level of domestic violence in the population.

It is not hard to argue that the daily stress experienced by Israelis is by far higher than that experienced by Swedes, Britons or Americans. I will leave a discussion of women's rights to Israeli women, but note that the rights of women have not traditionally been high on the Knesset's agenda.

In short, a conservative estimate would be that the level of domestic violence in Israel is higher than that expected in the other countries I have mentioned.

One other indication that the number of battered women in Israel is high is the research that Prof. Zvi Eisikovits of Haifa University and I are conducting. We have just completed interviewing a large sample of Israeli couples on the topic of domestic violence.

We asked social workers in the northern region of the country to identify a group of couples where the women were being beaten and another group where no violence existed. Interestingly, when we interviewed the non-violent couples our research team found that many of the women had been battered. It was more difficult for us to locate couples where no violence existed than to locate those where violence did exist.

LARGE numbers of Israeli women are beaten each year – the figure may be 50,000 or it may be 150,000 women. The size of the estimate is not as important as the response of society.

Maxine Epstein and Reggi Marder's recent study of Israeli battered women entitled "Shalom Bayit" shows that when battering is ignored by society, the women are likely to be repeatedly assaulted. Murder may even be the end result.

Research in other countries has shown that up to 50 per cent of injuries treated in hospital emergency rooms are the result of domestic violence and that almost a quarter of all murders are committed by one's spouse or lover.

Injury and murder of women and children are the statistics of concern to Ora Namir and others. Domestic violence and its impact upon Israeli women and children should be a serious concern to all Israelis.

In Minnesota, a state with four million citizens, we have close to 20 battered women's shelters and safe home networks. The state government provides millions of dollars to support the shelters.

That there are only four inadqauately funded shelters in Israel is a disaster for battered women and their children. The work of Israel's battered women's shelters deserves much greater economic and social support than they currently receive.

The writer, an Associate Professor at the University of Minnesota's School of Social Work, conducts research on the battered women problem. He holds regular workshops in Israel, sponsored by Shatil and the New Israel Fund.

READERS' LETTERS

THE ISRAEL AMBASSADOR IN WASHINGTON

To the Editor of The Jerusalem Post

Sir, – I refer to your article of March 15, "Washington embassy staff complain against ambassador." This article was written by *Davar's* correspondent in the U.S. Amnon Dankner, who replaced your regular U.S. correspondent on that occasion, and it appeared in *Davar* on March 13.

On January 30, 42 days prior to the publication of the above article, *Davar* published another article by the same Mr. Amnon Dankner who, writing about the situation in the U.S., had this to say about me:

"The Israel Ambassador in Washington, Meir Rosenne, has a worse public relations image than he deserves. He is a diplomat in the classic mold, an intelligent man who also knows how to charm people, but who unfortunately succeeded the charismatic Moshe Arens and serves alongside Ambassador to the U.N. Binyamin Netanyahu, who is the magician of the American media. Rosenne has excellent and valuable relations with Vice President Bush and the Attorney General, Ed Meese, who belong to the President's inner circle and whom he resorted to on several occasions – secretly and successfully in the case of Vice President Bush."

Here are my credentials:

I am a graduate of the Sorbonne University (LL.D.) and have been a member of the Foreign Ministry staff for 33 years. I served as Israel Consul in New York and Israel Representative on the UN Human Rights Commission from 1961 to 1967, Coordinator of the Atomic Energy Commission from 1969 to 1971, Legal Adviser of the Foreign Ministry from 1971 to 1979, Israel Ambassador to France from 1979 to 1983, and Israel Ambassador to the U.S. since 1983. I served as legal adviser in the negotiations which led to the interim agreements following the Yom Kippur War, adviser to the Israel delegation at Camp David, spokesman for our delegation in the negotiations for the peace treaty with Egypt. I was also a senior lecturer in public international law at the Hebrew University of Jerusalem from 1972 to 1978 and at the Tel Aviv and Haifa universities from 1969 to 1971.

I will not enter into a discussion with Mr. Dankner about the extent of my success as ambassador to the U.S. In a free country, everybody is entitled to his opinion about the work of a civil servant. But what about the facts?

As far as Mr. Danker is concerned, the ambassador "disappeared" and was "neither seen nor heard."

Here are the facts:

During the course of February 1987, I held the following meetings and was involved in the following activities which can be freely reported on:

1. Between February 16 and 24, Prime Minister Yitzhak Shamir visited the U.S. and I accompanied him during his visit and participated in his meetings with the President of the U.S., the Vice President, the Secretary of State, the Secretary of Defence and other government leaders, and these meetings were reported at length by the press.

2. The preparation of the trip necessitated of course a great deal of work on my part and on the part of the embassy staff.

3. In the course of February, I met Vice President Bush, Secretary of State Shultz and many other high administration officials.

4. I appeared before the Tower Committee, which investigated the Iranian affair.

5. I met Charles Mannet the former chairman of the Democratic Party and David Ifshin, his political adviser.

6. I met a leader of the Republican Party.

7. I met various senators and members of Congress.

8. I met seven foreign ambassadors, including some from countries which do not have diplomatic relations with us.

9. I met Sam Lewis, former U.S. Ambassador to Israel.

10. I met many Jewish leaders, including the heads of Orthodox, Conservative and Reform Judaism, leaders of the Council for Soviet Jewry and leaders of the ADL.

11. As to the media, I appeared on the national TV network CNN, which has 20 million viewers, on the coast-to-coast CBS TV programme *Night Watch* for 18 minutes, and I met the moderator of another important TV programme.

12. This is in addition to taking care of Israeli personalities who visited the U.S. in February and participating in meetings with U.S. high officials held by various Israeli senior officials who visited Washington at the time.

13. I lectured at various meetings in Washington and appeared before the Council for International Affairs in Naples, Florida, and at a fund-raising dinner for Bar-Ilan University in Miami.

14. All this was in addition to the regular activities of the embassy.

15. Moreover, it was in addition to the preparations for the reception for 1,000 people at the embassy on February 17 in honour of the Prime Minister; guests included members of the U.S. government, senators, members of Congress, army people, etc.

The work of Foreign Ministry staff members at Israel embassies is very hard, and especially so in the U.S. Contact has to be maintained at all times with all levels and branches of the government, with the public at large, including appearances before various audiences, meetings with the editorial staff of newspapers and molders of public opinion, lectures at universities, contacts with the Jewish community, etc. The work involves long and strenuous trips which include sometimes eight to 10 appearances in one day, the granting of interviews to the media, activities on behalf of the UJA and Israel Bonds, etc., all this further complicated by security problems which diplomats from other countries do not have to contend with.

Do not the Foreign Ministry personnel deserve some consideration on the part of journalists before they wreak their wrath upon them?

MEIR ROSENNE,
Ambassador of Israel
Washington, D.C.

PENFRIENDS

VIVIEN RITCHIE (29), of 75 Sunnyside Crescent, Mauchline KA5 6Dy, Ayrshire, Scotland, is married with a son and would like to correspond with an Israeli woman. She is a nurse and likes reading, walking, music and documentaries.

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